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Japan

Preparations Underway for Gorbachev Visit

OW2312054190 Tokyo NHK General Television Network in Japanese 0300 GMT 23 Dec 90

[Text] The attitude of Mr. Yakovlev, a member of the Presidential Council of the Soviet Union, is drawing attention. He will serve continuously as the chairman of the preparation committee for President Gorbachev's planned visit to Japan. This was disclosed to NHK by Soviet economist Shatalin, a member of the preparation committee, on 22 December. According to Mr. Shatalin, Mr. Yakovlev is serving as the chairman of the preparation committee which was organized by President Gorbachev. Mr. Shatalin and Mr. Volskiy, president of the Science and Industrial Union, are serving as assistants. Mr. Shatalin told NHK that the preparation committee would continue its activities as it has done thus far regardless of the composition of the new government. Thus, Mr. Shatalin made it clear that preparations are under way for President Gorbachev's planned visit to Japan regardless of a cabinet reshuffle and other measures.

No Reply From Moscow on Nakayama's Jan Visit

OW2212070790 Tokyo KYODO in English 0631 GMT 22 Dec 90

[Text] Tokyo, Dec. 22 KYODO—Foreign Minister Taro Nakayama said Saturday that he was unsure whether he would visit the Soviet Union in early January as scheduled because of Eduard Shevardnadze's offer to resign as Soviet foreign minister.

Nakayama said that the Foreign Ministry is preparing for his trip to the Soviet Union, but it has not received any reply from Moscow.

The foreign minister was speaking to reporters after he briefed Prime Minister Toshiki Kaifu about recent political developments in the Soviet Union.

Nakayama was scheduled to visit Moscow on January 2-5 for a regular consultation with Shevardnadze to pave the way for the April visit to Japan by President Mikhail Gorbachev.

On Thursday, Shevardnadze warned that dictatorship is gaining strength and said he was resigning. Aleksandr Yakovlev, who is regarded as the Kremlin's No. 2 man, was also reported on Friday to be retiring from politics.

Meanwhile, Chief Cabinet Secretary Misoji Sakamoto said at a press conference that Japan hopes that bilateral ties between Tokyo and Moscow would not be stalled in the wake of the present political turmoil in the Soviet Union.

The government spokesman renewed Tokyo's hope that Gorbachev will visit Japan as scheduled in April despite the current political situation.

If Gorbachev comes to Tokyo, he will be the first Soviet leader ever to visit Japan. He is expected to arrive in Tokyo around April 15, government sources said.

Government Preparing for Trip

OW2312062290 Tokyo NHK General Television Network in Japanese 0300 GMT 23 Dec 90

[Announcer-read report]

[Text] Nagao Hyodo, director of the European and Oceanic Affairs Bureau of the Foreign Ministry, speaking on an NHK round-table discussion program today, said that the Japanese Government is making preparations for Foreign Minister Nakayama's planned visit to the Soviet Union despite Soviet Foreign Minister Shevardnadze's announcement that he will resign. Regarding Foreign Minister Nakayama's planned visit to the Soviet Union for Japanese-Soviet foreign ministerial talks scheduled to be held in Moscow from 2 to 5 January next year, Director Hyodo said: Soviet Foreign Minister Shevardnadze expressed his intention to resign, but it is unclear whether he will resign. There are speculations that he will remain in office until next February when U.S.-Soviet summit talks will be held. On the Japanese-Soviet foreign ministerial talks scheduled to be held early next January, Director Hyodo said: We are waiting for answers from the Soviet side. Although we have not yet received any formal answers from the Soviet side, we are making preparations for Foreign Minister Nakayama's planned visit to the Soviet Union with the intention of carrying out his visit to the Soviet Union as planned. Thus, the Foreign Ministry official made it clear that the Japanese Government is making preparations for Japanese-Soviet foreign ministerial talks regardless of Soviet Foreign Minister Shevardnadze's announcement that he will resign.

The upcoming Japan-Soviet foreign ministerial talks will be held based on an agreement reached between Japan and the Soviet Union when Soviet Foreign Minister Shevardnadze visited Japan this September. Foreign ministers of the two countries at the talks will discuss preparations for President Gorbachev's visit to Japan next April. The Japanese Government plans to wait for answers from the Soviet side by the end of this year even though the political situation in the Soviet Union remains unclear following Foreign Minister Shevardnadze's announcement on his resignation.

Tokyo Reaffirms Strong Support for Perestroyka

OW2112132290 Tokyo KYODO in English 1306 GMT 21 Dec 90

[Text] Tokyo, Dec. 21 KYODO—Japan expressed concern Friday that Soviet Foreign Minister Eduard Shevardnadze's resignation announcement could lead to a setback in resolving a territorial dispute that has dogged bilateral relations for the past 45 years.

Hopes have been running high in Tokyo that a planned visit by Soviet President Mikhail Gorbachev in April would bring the two countries closer to ending the longstanding dispute over ownership of four small islands located north of Hokkaido.

But Foreign Ministry officials said Friday they were concerned that the events surrounding Shevardnadze's apparent resignation could spell trouble for the Soviet Union's "new thinking" diplomacy, which Tokyo has credited for creating a new flexibility on the island issue.

Foreign Ministry Spokesman Taizo Watanabe said Shevardnadze's resignation statement before parliament on Thursday indicated there has been serious domestic criticism of and confrontation over the Soviet Union's diplomacy.

In a gesture of moral support for a beleagured Gorbachev, Watanabe said Japan strongly supports the perestroyka reforms under way in the Soviet Union, and hopes for a "drastic and fundamental" improvement of bilateral relations.

Shevardnadze, 62, in his five years as foreign minister, played a leading role in introducing new policies of confidence-building with former rivals in the West that helped defuse the cold war.

In a bitter resignation speech Shevardnadze talked of being criticized by conservative lawmakers for his liberal policies, and warned that the Soviet Union was heading toward "dictatorship."

Japan's Foreign Ministry in the past has cited stable leadership in the Soviet Union as a key to progress on the thorny territorial issue, which stands in the way of signing a peace treaty.

Tokyo maintains the Soviet Union has unlawfully occupied the Habomai Islands, Shikotan, Kunashiri and Etorofu since the end of World War II.

Moscow says Japan abandoned ownership of the islands under the 1951 San Francisco peace treaty, which ceded the islands to the Soviet Union.

Japanese leaders differed Friday over what effect the surprise development in the Kremlin would have on Gorbachev's visit to Tokyo, which would be the first ever by a Soviet leader.

Prime Minister Toshiki Kaifu said he expected the trip to take place as planned, but Chief Cabinet Secretary Misoji Sakamoto and several officials at the Foreign Ministry took a wait-and-see stance.

At best, the changes in the Kremlin would merely slow down the negotiation process because of the time required to develop a rapport with Shevardnadze's replacement, said a top-ranking Foreign Ministry source experienced in negotiating with the Soviets.

Officials declined to speculate on how the resignation would affect a regular foreign ministerial meeting slated to take place in Moscow next month.

Red Cross Airlifts Humanitarian Aid to USSR

OW2212072090 Tokyo KYODO in English 0650 GMT 22 Dec 90

[Text] Tokyo, Dec. 22 KYODO--The Japanese Red Cross Society on Saturday extended humanitarian aid to the Soviet Union with 100 million yen worth of antibiotics, blood medicine and other medical supplies, organization officials said.

The five-ton aid package was airlifted to Moscow the same day, to be delivered to the Soviet Red Cross. Two Japanese Red Cross employees also flew to Moscow for delivery of the supplies and to discuss any need for other assistance, they said.

Soviet officials have urged foreign countries to extend emergency aid as food, medicine and other key necessities are in grave shortage in the country.

The Japanese Government early this week pledged 100 million dollars of credit to Moscow to cover a food shortage after the United States and the European Community (EC) decided to give 1 billion dollars worth of emergency food aid to the Soviet Union.

Officials said the Japanese Red Cross is also preparing for further aid, including 25 million yen in medical goods assistance to the Soviet island of Sakhalin, just north of Hokkaido, to be shipped from Otaru, Hokkaido, on December 28.

Accord on N-Power Safety With USSR Planned

OW2212135090 Tokyo KYODO in English 1318 GMT 22 Dec 90

[Text] Tokyo, Dec. 22 KYODO—Japan plans to conclude an agreement with the Soviet Union to promote bilateral cooperation in securing safety measures at nuclear power plants, government sources said Saturday.

The conclusion of the treaty is likely to take place when Soviet President Mikhail Gorbachev visits Japan next April, the sources added.

Gorbachev reportedly plans to visit Japan April 15 for at most three days. He will be the first Soviet leader to visit Japan.

The Soviet Union has asked Japan for the conclusion of a treaty because it feels Japan has considerable expertise in nuclear safety, according to the sources.

The sources added that Japan has decided to meet the Soviet request because providing the Soviets with safety technology will help prevent the recurrence of accidents at nuclear power plants such as that at Chernobyl. The 1986 nuclear disaster caused worldwide concerns over the environment.

Exchanges of information about safety measures and possible accidents at nuclear power plants, exchanges of technical experts, and medical cooperation to treat victims of nuclear accidents are likely to be among the main contents of the pact.

The Japanese Government is considering sending medical experts and medical equipment and supplies to the Soviet Union to aid Chernobyl victims based on an accord signed in early September by Japanese Foreign Minister Taro Nakayama and his Soviet counterpart Eduard Shevardnadze, according to the sources.

Japan has also pledged to give the Soviet Union 2.6 billion yen in medical supplies for the victims.

Agreement Signed With USSR on Fishing Quotas

OW2412074390 Tokyo KYODO in English 0455 GMT 24 Dec 90

[Text] Tokyo, Dec. 24 KYODO—Japan and the Soviet Union on Monday signed an agreement to set fishery quotas in their respective 200-mile economic waters for next year at 182,000 tons, unchanged from this year, Japanese officials said.

The signing took place in Tokyo after bilateral fishery talks, which got under way on December 10.

Japanese fishing boats will be able to catch that amount without paying "fishing fees" to the Soviets, officials said.

In addition, Japanese fishing boats were permitted to catch up to 35,000 tons in the Soviet economic zone, also unchanged from last year, officials said.

In return, they will supply 1.12 billion yen worth of fishery products and equipment to the Soviets, officials said. This year Japan provided 884 million yen in cash and 1,000 tons of frozen Pacific saury to the Soviet Union.

The number of Japanese boats allowed in the Soviet economic zone was set at 1,396 for fishing free of charge and 63 with fishing fees, officials said.

Japanese officials agreed to allow Soviet fishing boats to call at Onahama port in Fukushima Prefecture, northeastern Japan, for replenishment and crew rest and recreation next year, they said.

Fiscal Support Requested for U.S. Troops Cost

OW2112211790 Tokyo KYODO in English 1453 GMT 21 Dec 90

[Text] Tokyo, Dec. 21 KYODO—The Defense Facilities Administration Agency on Friday requested the Finance Ministry for an additional fiscal 1991 budgetary appropriation of 10.2 billion yen to shoulder a larger portion of the cost of maintaining U.S. troops stationed in Japan, officials said.

The agency plans to gradually take over the full cost of water, heating and lighting, and the basic salaries of 22,000 Japanese employees who work at U.S. bases over the next five years, the officials said.

The total amount for the next five years is estimated to reach 220 billion yen, the officials said.

The United States currently pays the full cost of water, heating and lighting, and basic wages of the Japanese employees, which would total 84 billion yen in the current fiscal 1990.

Japan began to shoulder the cost of allowances of the Japanese employees in 1986 and allocated 46 billion yen in fiscal 1990 for the cost. Japan shoulders at present 39 percent of support costs for the deployment of some 50,000 U.S. troops in Japan.

The United States has also demanded Japan to pay for garbage collection and telephone costs.

Okinawans Oppose Building Foxholes for Exercises

OW2312112990 Naha OKINAWA TIMES in Japanese 21 Dec 90 Evening Edition p 13

[Text] Kin—A plan to construct foxholes for use in live ammunition firing exercises on Camp Hansen's Range 5, located near Igei Village, has been uncovered. In this regard, residents of Igei District and the town assembly expressed their opposition to the construction. Heavy excavating machines nevertheless began work at the construction site on 19 December. It seems that construction work has resumed.

The town assembly (speaker: Genichiro Hokama) adopted a resolution on 26 November calling for an end to the construction plan, saying that "bullets will certainly reach residential areas if exercises are held on Range 5." On 6 December, the town assembly had made this request of the Naha Defense Facilities Administration Bureau [DFAB]. Stray bullets, which landed in Igei District in October 1988, were fired from Range 6. Range 5 is closer to the village than Range 6. But the DFAB signalled its intention to allow the exercises to continue by noting that "it will be safe as mobile training will not be held."

Construction had been suspended since immediately before the town assembly's meeting. This was out of concern for opposition by townspeople. However, an additional power shovel was brought to the construction site on 19 December, and large trucks began removing excavated soil. Masafumi Ikehara, chief of Igei District, nervously said: "We would like to discuss measures with the town after investigating the actual situation." Tomohiro Zukemura, chairman of the town assembly's ad hoc committee on military affairs, said: "We will persistently call for an end to construction. We would like to ask again to be allowed to confirm the situation at the construction site."

Government To Extend 'Emergency' Loan to Egypt

OW2312101290 Tokyo KYODO in English 1002 GMT 23 Dec 90

[Text] Tokyo, Dec. 23 KYODO—The Japanese Government will offer a 43,668 million yen emergency commodity loan to Egypt to help it overcome the effects of the Persian Gulf crisis, government officials said Sunday.

The aid, notes for which were exchanged Sunday, is part of 2 billion dollars to be extended in loans and grants to the so-called "frontline" states, particularly Egypt, Jordan, and Turkey, to offset the adverse effect of the United Nations-imposed trade embargo against Iraq on their economies.

Prime Minister Toshiki Kaifu pledged the aid to Egypt when he visited the country in October.

The loan, carrying an interest rate of 1 percent per annum, is repayable over 30 years, including a grace period of 10 years.

Aid to Egypt has been suspended since 1985 because it failed to repay the yen credits given up to then. But the two nations reached agreement recently on the repayment issue and resumption of aid to Egypt, the officials said.

Mideast Aid Takes Priority in Official Assistance

OW2212111490 Tokyo KYODO in English 1024 GMT 22 Dec 90

[By Hiromi Takigami]

[Text] Tokyo, Dec. 22 KYODO—Japan's 2 billion dollar aid to countries hit by the Persian Gulf crisis has caused unexpected allocations in its Official Development Assistance (ODA) spending in the fiscal 1991 state budget to be compiled December 29.

"Such unexpected aid, together with the strong yen, is considered as a favorable wind blowing from behind the ODA budget," said Chihiro Atsumi, an official at the Foreign Ministry's Economic Cooperation Bureau.

Japan pledged to provide a total of 4 billion dollars to help countries facing economic difficulties because of the crisis and also to assist in U.S.-led multinational efforts to restore peace and stability in the region.

Of the total 4 billion dollars, 2 billion dollars have gone or will go to the Persian Gulf Peace Fund to help U.S.-dominant multinational forces operate in the Middle East. But the aid to the forces is not considered as ODA.

Another 2 billion dollars are to be extended in loans and grants to the so-called "frontline" nations, particularly Egypt, Jordan, and Turkey, to offset the adverse impacts of trade embargoes against Iraq on their economies in September.

Of the 2 billion dollars pledged, Japan has so far specified the disbursement of 600 million dollars or 30 percent.

"Such aid has already swollen the ODA budget in the fiscal 1990 budget. A sharp rise in ODA outlays is needed to avoid cuts in financial aid to other developing countries," Atsumi said.

The remaining 1.4 billion dollars should be considered in compiling the fiscal 1991 budget, a Finance Ministry official said.

The Finance Ministry official, asked about additional financial support for the multinational forces, said, "a reported U.S. call for such an additional aid has not yet reached us, but such a move is likely."

The United States and Iraq still disagree on a date for their direct dialogue in an attempt to head off a military showdown.

A U.S. congressional estimate shows U.S.-dominant multinational forces operating in the Middle East will cost 30 billion dollars, up from an initially projected 17 billion dollars.

Japan is getting closer to its final goal of the five-year 50 billion dollar fund recycling program, to be completed in 1992, initiated by former Prime Minister Noboru Takeshita at the 1988 Toronto summit.

The medium-term ODA plan aims at doubling the total amount of ODA allocated during the preceding five-year period, as a symbol of Japan's efforts to play an important role in the international community as the biggest ODA donor.

Japan provided 9.13 billion dollars in the first year of 1988 and 8.96 billion dollars in 1989 in foreign aid, which the Foreign Ministry official said is an amount considered "insufficient to achieve the five-year goal."

Atsumi said, "To make up for the insufficiencies, a 10 percent year-on-year jump in the ODA budget for the next fiscal year is necessary." The growth rate translates into an aggregate of 1.5 trillion yen, he said.

The ODA expenditures are expected to expand by 8.2 percent in the current fiscal year.

"We must not be taken in by the figure. We should consider whether the overseas assistance has relieved people in developing countries in the true sense of the word," said Kazuo Sumi, professor at Yokohama City University.

Sumi, an expert on international environmental law, said the five-year ODA plan was set under growing pressure from Western nations, calling upon Japan to reduce its huge merchandise trade surplus.

Criticizing Japan for paying attention only to expand the total of ODA, Sumi said the Japanese bureaucrats concerned should see the negative aspects of ODA.

"Such government officials are inclined to procure money for big projects like construction of dams, bridges, and highways, because it is the shortest way to increase the ODA budget," he said.

"Some big projects have been causing serious environmental disruption," he added.

But a Foreign Ministry official said, "We are going ahead with ODA with confidence."

Panel on Compensation for Wartime Korean Draftees

OW2112130290 Tokyo KYODO in English 1230 GMT 21 Dec 90

[Text] Tokyo, Dec. 21 KYODO—Japan must resolve the question of appropriate compensation for the tens of thousands of Koreans it used as forced labor during the war and then deprived of Japanese nationality, a Korean-Japanese symposium urged on Friday.

In the symposium, a seven-member panel of resident Korean and Japanese academics stressed the need for the South Korean Government to also push Tokyo to settle the question.

The panel branded the 1910 treaty with which Japan annexed Korea until 1945 as illegal as it was ratified by Korea under the threat of military force, infringing the right of a nation to determine its own sovereignty.

Kim Tong-hun, professor of international law at Kyoto's Ryukoku University, called on the Japanese to show an awareness of historical fact and review the legality of the pact that officially ushered in Japan's colonial rule over Korea.

Kim told the 100 people at the symposium that the war will not really have ended for Koreans resident in Japan until the compensation problem is settled. He called on the Japanese public to consider the humanitarian and moral aspects of the issue.

Some resident Korean researchers estimate 724,000 Koreans were brought to Japan or its former territories under various schemes as forced labor during the war. But in August this year, Japan announced it had completed a thorough search of records and found 79,578 Koreans were taken to Japan as indentured labor.

In 1965, Japan and South Korea concluded a treaty under which Japan claims it had resolved the issue of wartime claims for compensation. The pact, however, says it does not influence those who ever lived in either of the two nations by 1947. Resident Koreans interpret this as guaranteeing their right to demand compensation. Japan has yet to sign any war-ending agreement with North Korea.

A Japan-born Korean, Tokyo-based lawyer Kim Kyong-tok, said the Japanese Government lacks a legitimate perspective on its own history and is avoiding the compensation problem.

Kim is serving as an attorney for a compensation lawsuit against the Japanese Government filed by Koreans deserted by the Japanese Government on the currently Soviet-held island of Sakhalin, just north of Japan. The Koreans on Sakhalin have been unable to return to the Korean peninsula because of difficulties posed by long-unresolved political differences between countries in the area.

He said during the first hearing on Friday in the latest lawsuit, Japanese officials indicated that the compensation claims would not be recognized under postwar Japanese laws covering wartime compensation.

In 1952, Japan renounced the Japanese nationality given to Koreans during the war as "Imperial Japanese citizens," and subsequently refused to pay compensation for their wartime hardships.

Hiroshi Tanaka, professor at Aichi Prefectural University, cited attempts by a group of former Japanese prisoners of war detained by the Soviet Union after the war as forced labor for compensation for individual detainees.

The group is proceeding with the negotiations although the 1956 Japan-Soviet Joint Declaration renounced each government's right to demand wartime claims.

Tanaka also cited another set of ongoing talks between the major Japanese construction firm Kajima Corp. and former wartime Chinese laborers drafted into its service. He quoted a Chinese official in Beijing as saying the 1972 Shanghai Communique, that renounced further mutual wartime claims only resolved the issue of government-to-government compensation.

Tanaka quoted the Chinese official as saying that the pressing of individual wartime compensation claims would bring about "true bilateral friendship."

Japanese academic Aiko Utsumi also stressed the need to consider Koreans convicted or even executed by the allied nations as war criminals as they were drafted from Korea and placed in charge of Western prisoners of war held by Japan in camps in the Asian region.

She criticized the Japanese Government for leaving unresolved the legacy of Koreans drafted into forced labor, military service or prostitution for Japanese servicemen wherever Japanese troops invaded in the Asian region.

Ogata Elected UN High Commissioner for Refugees

OW2212045690 Tokyo KYODO in English 0419 GMT 22 Dec 90

[Text] New York, Dec. 21 KYODO—Japanese Prof. Sadako Ogata on Friday was elected as United Nations High Commissioner for Refugees (UNHCR) unanimously at the General Assembly, U.N. officials said.

Ogata, a 63-year-old professor of international relations, was nominated for the post by U.N. Secretary General Javier Perez de Cuellar on Wednesday.

Ogata, dean of the faculty of foreign studies at Sophia University, begins her three-year term with the Geneva-based office on January 1. She will be the first Japanese woman to head a U.N. organization.

She will work as the commissioner, equivalent to the U.N. assistant secretary general, to carry out her duties for the protection and rescue of about 15 million refugees around the world who are suffering from starvation and economic plight resulting from international and civil wars.

Ogata has rich international career experience in serving as a Japanese envoy to the United Nations and representing Japan at other U.N. organizations.

In Tokyo, Ogata said in a press meeting at the Foreign Ministry, "It is the serious situation that refugees in the world have been increasing in number in the past 10 years."

"I think I understand refugee problems as I have been studying the issue from outside. However I am resolved to tackle the problems as the high commissioner by studying harder," she added.

She called for assistance, in particular from Japan, to help refugees.

She said, "I have been insisting that Japan should take a more positive attitude in contributing to the international society. As I have been involved with human rights problems so far, I hope I could do something helpful as the high commissioner.

'Tug of War' in LDP as Cabinet Reshuffle Looms

OW2212132590 Tokyo KYODO in English 1315 GMT 22 Dec 90

[Text] Tokyo, Dec. 22 KYODO—Power brokers within the Liberal Democratic Party [LDP] are stepping up their tug of war for top party and government posts in a major cabinet reshuffle Prime Minister Toshiki Kaifu is expected to carry out in early January.

The current feeling within the LDP is that the three top party executives are going to retain their positions, and so are the principal cabinet ministers, including Foreign Minister Taro Nakayama and Finance Minister Ryutaro Hashimoto.

In addition, Agriculture Minister Tomio Yamamoto, International Trade and Industry Minister Kabun Muto, and Chief Cabinet Secretary Misoji Sakamoto are also tipped to stay.

But political insiders say the players may change, as the infighting for cabinet postings intensifies among the major party factions and within the top hierarchy of the various factions.

Political sources said Ichiro Ozawa is almost certain to retain his position as the LDP secretary-general, the second most important position within the party after Kaifu's party presidency.

Ozawa is a rising star within the LDP faction led by former Prime Minister Noboru Takeshita and the principal source of support for the Kaifu government in the faction-dominated party and sources say there is no dissent within the Takeshita faction over Ozawa's reappointment.

Mutsuki Kato, the chief policy-maker within the LDP as chairman of the Policy Board, has also been tipped to remain in his post, but the prospect has yet to be wrapped up.

Power aspirants within the Abe faction, Kato's power base, say they want a go at the party policy post, an important way station on the climb for the party leadership and prime ministership.

Political insiders say Yoshiro Mori, a former education minister and also an Abe man, may try to take over Kato's job if he cannot land a cabinet position.

But Mori has been tainted in the Recruit bribery scandal, and Kaifu has said he does not want any scandal-tainted politician in his cabinet.

Kaifu's "Mr. Clean" stand, which he has stubbornly maintained since he came to office in August last year, kept Mori out of the government in his first cabinet reshuffle in February.

Like Kato, the position of Takeo Nishioka, chairman of the party Executive Council, is not iron-clad.

Sources say Young Turks within the Miyazawa faction, Nishioka's political home, are gunning for Nishioka's post for Koichiro Kato, a former state minister for defense who was also tainted in the Recruit scandal.

Nishioka's rescue, however, may lie with his close association with Kaifu, and LDP insiders predict that he may keep his party executive position if the other two party stalwarts—Ichiro Ozawa and Mutsuki Kato—keep their posts.

The three top party executive positions are generally distributed among the party factions as a mechanism to maintain party harmony.

As for the cabinet line-up, it has been rumored that Hashimoto may replace Nakayama as foreign minister, but the chance now is that he is likely to stay at the Finance Ministry to oversee preparation of the government budget.

Kaifu is likely to retain Nakayama as foreign minister to provide a measure of continuity in Japan's foreign policy in the face of the deadlock in the Uruguay Round of multilateral trade talks, political tension in the Soviet Union and the Persian Gulf crisis, political sources said.

Yamamoto also is expected to remain as the agriculture minister to steer the government policy on rice imports which is emerging as a pressing trade dispute with the United States following the collapse of the Uruguay trade talks earlier this month.

However, there is pressure within the Abe faction—where both Nakayama and Yamamoto owe allegiance—for a change in the cabinet chairs.

At the Watanabe faction, pressure is also building for a rotation of the international trade and industry portfolio to make way for four ministerial aspirants in the faction.

Kaifu, who comes from the LDP faction led by Toshio Komoto, is also said to be inclined to replace Sakamoto, his faction colleague, as chief cabinet secretary, chief of the cabinet staff.

However, Sakamoto's political neck may be saved by Komoto himself, who is pressing hard on Kaifu not to abandon Sakamoto, described by Komoto as the most loyal of Kaifu's cabinet members.

As a member of the party's smallest faction, Kaifu has only been able to put two Komoto men in his own cabinets.

The other portfolios are distributed among the other factions proportionally to their party strength, a practice expected to remain in force in the upcoming reshuffle.

New Keidanren Chairman Stresses 'Lofty Ideals'

OW2112133490 Tokyo KYODO in English 1317 GMT 21 Dec 90

[Text] Tokyo, Dec. 21 KYODO—The new head of the powerful Federation of Economic Organizations (Keidanren) on Friday stressed "lofty ideals" and sympathetic consideration for the weak under a free economy.

Gaishi Hiraiwa outlined his basic policy as the Keidanren chairman at a news conference shortly after his election as the new "premier" of the Japanese business community, replacing Eishiro Saito. Saito, elected Keidanren chairman last May for a third two-year term, resigned his post well before the expiration of his term.

Hiraiwa said business managers should not solely pursue profit but should also pursue lofty ideals.

Like his predecessor, Hiraiwa said he supports a limited liberalization of the rice market. Japan is now under foreign pressures to liberalize imports of rice, its staple food.

Hiraiwa, now chairman of Tokyo Electric Power Co., has been vice chairman of Keidanren for many years.

The election of the new chairman and four new vice chairmen took place at an extraordinary Keidanren general meeting.

The four new vice chairmen, chosen to fill the vacancies created by the resignation of the previous four vice chairmen, are Isao Nakauchi, chairman and president of Daiei Inc.; Setsuya Tabuchi, president of Nomura Securities Co.; Katsuhiro Utada, honorary chairman of Ajinomoto Co.; and Kenji Kawakatsu, chairman of Sanwa Bank. It is the first time that vice chairmen have been chosen from among the distribution, securities, and food products industry leaders.

In addition to the new vice chairmen, Keidanren has eight other vice chairmen.

Forum Urges Tech Transfers to E. Europe, USSR

OW2012231290 Tokyo KYODO in English 1420 GMT 20 Dec 90

[Text] Tokyo, Dec. 20 KYODO—A governmental advisory forum on Thursday called for Japan's stepped-up technology transfers to developing countries, the Soviet Union and Eastern Europe.

The call was made by a subgroup on international problems of the Council for Science and Technology, a scientific and techonological policy-making panel chaired by Prime Minister Toshiki Kaifu.

The subgroup said in a report that most of Japan's technology in leading fields such as production controls, energy saving, and environmental protection should be transferred.

The report also called for the establishment of a financial system to promote technology transfer.

It also called on Japan to take an active part in the international human genome (chromosomes and their genes) deciphering project and the international thermonuclear fusion experimental reactor project.

The report will be submitted to the Council for Science and Technology's meeting in early next year, which will be joined by major cabinet ministers.

Siberia-Japanese Shipping Service To Reopen

OW2012132590 Tokyo KYODO in English 1237 GMT 20 Dec 90

[Text] Fukui, Dec. 20 KYODO—The Soviet Union's Sakhalin Shipping Co. will resume its twice-monthly freighter service between the Khabarovsk state port of Vanino and the Japan sea port of Tsuruga in Fukui Prefecture early next month, the Tsuruga municipal government announced Thursday.

The 3,179-ton cargo ship Ayan is scheduled to arrive at Tsuruga port on January 7.

Only one ship will be assigned to the service to carry mainly logs and lumber from Siberia to Japan, and chemical products, construction machinery, clothing and other sundries from Japan to Siberia, the municipal government said.

The cargo liner service between Vanino and Tsuruga was inaugurated in 1977 and was operated twice a month.

It was suspended about three years ago, however, because of a decrease in lumber demand, which stemmed from a recession at the time in Japan's construction business.

Defense Agency To Use GE Engines for FSX

OW2112143890 Tokyo KYODO in English 1404 GMT 21 Dec 90

[Text] Tokyo, Dec. 21 KYODO—The Defense Agency announced Friday that it will adopt engines made by General Electric [GE] of the United States for Japan's next-generation support fighter, dubbed the FSX, agency officials said.

Engines by Pratt and Whitney, another U.S. company, were also being considered, but the agency selected GE's engines on the grounds that they are more suited to the FSX, which will carry bombs and missiles at low altitudes, the officials said.

Japan and the United States signed an agreement in 1988 on joint development of the FSX.

The FSX was initially slated to be developed independently by Japan, but the government yielded to U.S. pressure and decided in 1986 to instead convert an existing U.S. fighter.

Development of the new fighter, a modified version of the F-16, was originally scheduled to be completed in fiscal 1996 but is now expected to be prolonged until fiscal 1998 due to a delay in consultations between Japan and the U.S. The first FSX's are slated for deployment in 1999. The Air Self- Defense Force plans to eventually acquire 130 of the advanced planes, which will serve as the successor to the F-1, Japan's current support fighter.

Nippon Steel Purchases 20 Percent in U.S. Firm

OW2112114890 Tokyo KYODO in English 1133 GMT 21 Dec 90

[Text] Tokyo, Dec. 21 KYODO—Nippon Steel Corp. (NSC) on Friday announced the acquisition of a 20 percent interest in the New York-based Union Titanium Sponge Corp. (UTSC), from Japan's Toho Titanium Co. for 700,000 dollars.

UTSC has been set up by Toho Titanium and other Japanese firms to extend financial and technological aid to Titanium Metal Corp., a major U.S. titanium maker, in its sponge titanium production project.

Nippon Steel is acquiring a 20 percent stake in UTSC to consolidate the foundation for its titanium undertaking.

UTSC is now 40 percent owned by Toho Titanium, with 20 percent each held by Nippon Steel and Nippon Mining Co., and 10 percent each by Mitsui and Co., and Mitsui and Co. (USA) Inc.

Yokogawa, U.S. Firm To Sell Mini-Supercomputers

OW2112091390 Tokyo KYODO in English 0901 GMT 21 Dec 90

[Text] Tokyo, Dec. 21 KYODO—Yokogawa Electric Corp. said Friday it will set up a joint marketing and service firm with Cray Research Corp. of the United States in Tokyo next month to handle sales of the latter's XMS minisupercomputers.

Officials said Yokogawa Cray Els Co. will be capitalized at 240 million yen, with each company holding a 50 percent interest in the new firm.

The marketing firm, which will provide technical support and maintenance to users, aims to sell about 30 XMS minisupercomputers in the 1991 business and about 80 systems in 1992, officials said.

Government Adjusts Economic Growth Goal for 1991

OW2012104490 Tokyo KYODO in English 1023 GMT 20 Dec 90

[Text] Tokyo, Dec. 20 KYODO—The Japanese Government has set its economic growth goal for fiscal 1991, starting next April, at 3.8 percent, after adjustment for inflation, the Economic Planning Agency (EPA) said Thursday.

The growth target, mapped out after negotiations among the Finance Ministry, the Ministry of International Trade and Industry, and the EPA, represents a slowdown from the 4.0 percent initially projected for fiscal 1990.

The government's growth goal will be formalized at a cabinet session on Saturday.

In a view shared by private-sector economists, EPA officials singled out higher oil prices and domestic interest rates as negative factors stemming economic growth.

"It's an appropriate level of growth which is neither too strong nor too weak," said a senior EPA official, who spoke on condition of anonymity.

On fiscal 1990 growth, the government revised its projection upward to an inflation-adjusted 5.2 percent, citing stronger-than-expected domestic demand such as corporate capital outlays and personal spending.

Echoing private-sector projections, the EPA said domestic demand will continue to serve as the prime dynamo of economic growth in fiscal 1991. It said 4.0 percentage points of the 3.8 percent growth will come from domestic demand, with external factors like exports accounting for a minus 0.2 percentage point.

The government's 1991 growth goal is generally more optimistic than private-sector projections. The most bearish of them, by the Mitsubishi Research Institute and the Japan Economic Research Center, put the pace of growth at 2.9 percent in real terms.

The most upbeat private-sector forecast was for 4.2 percent growth estimated by the Research Institute on the national economy, known for its bullish projections.

On the external front, the EPA cut its forecast for the nation's current-account surplus, the broadest measure of trade in goods and services, to 32 billion dollars for fiscal 1990 from the initially estimated 56 billion dollars.

EPA officials traced the downward revision to the increased cost of imported oil and a slowdown in auto exports, among other things. Also cited was Japan's 2 billion dollar contribution to the U.S.-led multinational forces deployed in the Gulf, which cut into the deficit on the current account.

For fiscal 1991, the EPA said the current-account surplus is projected to continue a narrowing trend, totaling 30 billion dollars.

Among current-account items, the merchandise trade surplus is seen totaling 57 billion dollars in fiscal 1990, much smaller than the initially projected 78 billion dollars, the EPA said.

As for inflation, it said that wholesale prices will likely go down by 0.1 percent in fiscal 1991 as a stronger yen slashes the cost of imports. The EPA forecast an average exchange rate of 128.1 yen to the dollar in fiscal 1991, compared with an estimated 139.0 yen in fiscal 1990.

Consumer prices, meanwhile, are projected to rise 2.4 percent in the coming fiscal year.

In revising its inflation projections for fiscal 1990, the EPA put the tempo of inflation at the wholesale level at 2.0 percent against the initially projected 0.6 percent. It also revised its forecast for consumer-level inflation upward to 3.1 percent from the originally projected 1.6 percent.

Adopts Fiscal 1991 Budget Policy

OW2212031690 Tokyo KYODO in English 0227 GMT 22 Dec 90

[Text] Tokyo, Dec. 22 KYODO—The government laid down a fiscal 1991 budget policy Saturday which focuses on continued efforts to curb debt issues and higher outlays for public works spending aimed at improving national living standards.

The policy also includes tax reform of land ownership, purchase, and sales to bring down Japan's high land prices.

To ensure flexibility in fiscal policy, as the rapid aging of society combines with other social and economic changes, the main task for the government is to reduce its bond issues to facilitate its fiscal reform.

Outstanding government bonds are expected to total up to 165 trillion yen at the end of fiscal 1990, with bond-serving costs in the current fiscal year representing a staggering 20 percent of the fiscal 1990 general account outlays.

The policy said that in the coming fiscal year, starting next April, the government will issue 5,343 billion yen in government bonds, down 250.2 billion yen from the current fiscal year.

This will translate into 7.6 percent of the fiscal 1991 general account budget, which will amount to an estimated 70.35 trillion yen, the Finance Ministry said, briefing reporters about the policy.

The figure is less than the 8.4 percent for fiscal 1990, but is still high, considering the government's fiscal restructuring program which calls for stemming the proportion of bond-supplied revenue to total expenditures to 5 percent or less in five years.

To accomplish the target, the ministry needs to cut its bond issues by 400 billion yen each year.

The likely reasons for the failure to substantially trim national debts is due to shrinking tax revenue from the Japanese economy, higher interest rates which put pressure on expenditures, and greater outlays for public works spending, the ministry said.

In line with Japan's pledge to boost its public works spending over the next decade at the Structural Impediments Initiative (SII) talks with the United States, the government will put greater emphasis on development of the country's social infrastracture, which lags far behind other industrialized nations, the policy said.

As a first step, the government will set aside 200 billion yen under a special category aimed at projects closely linked to the well-being of the general public.

In view of the continuous serious fiscal situation, the government will also further reduce tax grants to local governments, it said.

Finance Ministry To Adopt 1991 Draft Budget

OW2212142390 Tokyo KYODO in English 1403 GMT 22 Dec 90

[Text] Tokyo, Dec. 22 KYODO—The Finance Ministry will adopt a draft 1991 fiscal budget incorporating expenditures totaling 70,340 billion yen Monday, placing emphasis on improvement of national living standards.

The budget, to be adopted at a cabinet meeting Monday, represents a 6.2 percent increase from the current year.

Ministry officials said the new fiscal program will include an appropriation of about 37,240 billion yen for projects to improve the living environment such as public works projects. The sum represents a 5.3 percent increase over the current year.

The government laid down a fiscal budget policy for 1991 earlier Saturday which focused on continued efforts to curb deficit-covering bond issues and to increase public works spending.

It will be the first time since fiscal 1980 that general expenditures will rise more than 5.0 percent from the previous year. The expenditures were 5.1 percent higher, year-on-year, in 1980.

The draft budget will be shown to ministries and related agencies for minor adjustment before the government adopts its final program at an extraordinary cabinet session December 29, the officials said.

They said the budget includes a construction bond issue totaling 5,343 billion yen, far exceeding the earlier plan to hold the bond issue to less than 400 billion yen, because of a level-off in tax revenues.

The bond issue accounts for 7.6 percent of total revenues, down from 8.4 percent this year.

Expenditures for improvement of livelihood-related programs represent an increase of 1,900 billion yen over the current year because of pay raise for government employees scheduled for the next fiscal year, the officials said.

The national bond issue will increase more than 10 percent to about 15,830 billion yen to make up for a decrease in tax revenues, they said.

The Finance Ministry and the Home Affairs Ministry have already agreed to hold subsidies to local government to 15,974.9 billion yen.

The officials said tax revenues in fiscal 1991 are estimated at 61,770 billion yen, up 6.5 percent, but barely half the growth rate recorded in recent years.

The shrinkage in tax revenue growth was attributed to an anticipated economic slowdown as a result of the stock market slump and the Gulf crisis, they said.

The government intends to secure income of 1,930 billion yen by increasing contributions from the Bank of Japan and through transfer of funds from a special account for foreign exchange transactions, they said.

Also to be adopted Monday will be the investment and loan program totaling about 37 trillion yen, up about 7.0 percent from the current year, the officials said.

Outlays for investment in, and loans to, projects, excluding those using special funds such as postal savings, will account for some 29,000 billion yen, up 5.0 percent, they said.

Trade Minister Urges BOJ To Ease Credit

OW2212051490 Tokyo KYODO in English 0438 GMT 22 Dec 90

[Text] Tokyo, Dec. 22 (KYODO)—International Trade and Industry Minister Kabun Muto indicated Saturday the Bank of Japan (BOJ) should ease its grip on credit.

"It is not normal that short-term interest rates have stayed above long-term ones for such a long time. The monetary authorities should consider lowering the official discount rate," Muto told a press conference after a cabinet meeting.

Muto said the BOJ and the Finance Ministry should move to relax credit if the oil market inflation and the labor shortage, factors which have led to higher interest rates, are stabilized.

His remarks follow similar criticism of the BOJ's tight credit policy expressed last week by Hideyuki Aizawa, director general of the Economic Planning Agency (EPA).

Terming the reversed interest curve "abnormal," Aizawa hinted that the BOJ should lower its key lending rate in order to ensure steady economic growth in the next fiscal year.

In its determined battle against inflation, the Central Bank has raised the base rate five times since May last year, to 6 percent, the highest level in nine years.

Higher interest rates, combined with dearer oil prices, are adding restraining pressures on the Japanese industry, leading the government to moderate its forecast of economic growth for fiscal 1990 starting next April, to 3.8 percent from the revised 5.2 percent in the current fiscal year.

Survey Shows Corporate Confidence in Economy Down

OW2012224890 Tokyo KYODO in English 1341 GMT 20 Dec 90

[Text]Tokyo, Dec. 20 (KYODO)—Japanese companies are less optimistic about their business conditions, as higher interest rates and uncertainties over the Gulf crisis combine to cast a shadow on the economic outlook, according to a quarterly survey released by the Finance Ministry on Thursday.

The survey said that in the fourth quarter this year, Japanese companies predicting economic expansion surpassed in number those forecasting contraction, but the gap between them was sharply narrower compared with the previous survey for the third quarter.

The gap between optimists and pessimists was 10.4 points for major companies and 4.3 points for smaller firms, compared with 17.2 points and 16.2 points, respectively, in the previous survey and the narrowest since the current economic expansion began in December 1986.

Growing worries over the nation's economic health are also mirrored in the fact that most companies revised downward their earnings estimates for the second half of fiscal 1990, ending March 31.

On an all-industry basis, companies expecting greater profits for the October-March period stood at 6.3 percent, down 4.2 percentage point from the previous survey.

"The results are a reflection of the lessening psychological confidence of Japanese businesses. Nevertheless, the number of optimists is still high," the ministry said.

The survey covered 11,236 companies with capital of 10 million yen or more, of which 85 percent responded.

Mongolia

Prime Minister Presents Report to Small Hural

OW2112073790 Ulaanbaatar International Service in English 0910 GMT 20 Dec 90

[Text] The session of the State Small Hural has heard the report of Prime Minister Byambasuren on the Mongolian Government's program. It defines the transition to the market economy as the main (?task of) taking the country out of the [words indistinct] economic crisis. The program reflects the government's attitude toward ownership, price formation, financial banking system, capital investments, and environmental protection. The government's most important task is to use to the utmost external ties in deepening the restructuring process and accelerating the country's social-economic development, the prime minister noted.

The government considers it vitally important to consolidate in this plan friendly relations and equitable and mutually beneficial cooperation with the Soviet Union and China. The prime minister also noted the importance of expanding contacts and cooperation with the countries of Asia and the Pacific Region, Europe, as well as the U.S.A. Political stability in the country and national consent are essential for the quickest implementation of these tasks, the prime minister underlined.

Speaks on Democracy, Authority

OW2412085790 Ulaanbaatar MONTSAME in Russian 1442 GMT 22 Dec 90

[Text] Ulaanbaatar, 22 Dec (MONTSAME)—"Democracy does not contradict strong authority. State and administrative organs should comprehensively prepare to overcome negative manifestions which may arise in step with the transfer to a market system and deepening of democracy," said D. Byambasuren, Prime Minister of Mongolia, at a meeting with chairmen of presidiums of (?Somon) hurals.

At the meeting, which was also attended by R. Gonchigdorj, vice president of the MPR [Mongolian People's Republic], the prime minister noted that the government supports further strengthening state power. Starting next year broad financial opportunities will open up for local organs of power.

Draft President Law Debated

OW2412085390 Ulaanbaatar MONTSAME in Russian 1445 GMT 22 Dec 90

[Text] Ulaanbaatar, 22 Dec (MONTSAME)—The State Small Hural is debating the Law on the President of the MPR [Mongolian People's Republic].

In particular, the draft law includes a provision noting that "The President of the Mongolian People's Republic is the head of the people's government, a guarantee of the independence of the MPR and unity of the Mongolian people."

The draft of the new law envisages that the president is accountable to the People's Great Hural.

The draft law also reflects questions of the powers of the president, his consultative cabinet, councils and office, his bodyguards, supplies and services for the president, and guarantees for the MPR president's immunity and activity.

ARDYN ERH Views Kazakh Separatist Rumors

OW2412083890 Ulaanbaatar MONTSAME in Russian 1458 GMT 20 Dec 90

[Text] Ulaanbaatar, 20 Dec (MONTSAME)—Some 120 years have passed since the Kazakh people came over the Altay Mountains and acquired [passage indistinct].

They refute rumors that the Kazakhs are supposedly thinking of resettling in Kazakhstan (the USSR) or Xinjiang (the PRC), and attribute the reasons for the appearance of such rumors to the irresponsible statements or talk of people of Kazakh nationality.

"We can say with firm confidence that such talk has nothing in common with the plans and aspirations of the Kazakh people," write B. Hurmetbek and A. Minis.

They also reject any substance of separate pronouncements concerning the autonomy of Bayan-Olgiy Aymag, where Kazakhs live.

The authors emphasize that "Kazakhs in Mongolia have never been subjected to oppression, insults, or discrimination by anything or anybody. Quite the contrary, the state and Mongolian people have always been concerned most of all for the 'national minorities' and have exhibited love and respect for them."

Bayan-Olgiy Aymag, which covers 2.9 percent of the country's territory, has 4.5 percent of its population, and raises 5.2 percent of all livestock, generates more than five percent of the national income and is a component part of the Mongolian People's Republic (MPR). Kazakhs work in all corners of the country. Not a single sober-minded Kazakh person should think about leaving

their homeland, the MPR, the homeland of Kazakhs, where the bones of their ancestors lie. Talk about some other Kazakh homeland or appeals to leave their homeland are a vain effort on the part of irresponsible people capable of placing the fate of an entire people in jeopardy, the authors of the ARDYN ERH article write.

North Korea

Chon In-chol To Head Delegation for Japan Talks

SK2212105690 Pyongyang KCNA in English
1037 GMT 22 Dec 90

[Text] Pyongyang December 22 (KCNA)—The government of the Democratic People's Republic of Korea appointed Chon In-chol, vice- minister of foreign affairs, head of the DPRK delegation to the full-dress inter-governmental talks for the normalization of DPRK-Japan diplomatic relations.

Meanwhile, the Japanese Government formally decided at a cabinet meeting on December 21 to specially appoint Noboru Nakahira, former Japanese ambassador to Malaysia, ambassador at vice-ministerial level of the Foreign Ministry to act as head of the Japanese delegation to the talks and published this decision. The first full-dress inter-governmental talks for the normalization of DPRK-Japan diplomatic relations will be held in Pyongyang in late January 1991.

South Trying 'To Obstruct' Talks

SK2312091790 Pyongyang KCNA in English
0809 GMT 23 Dec 90

[Text] Pyongyang December 23 (KCNA)—Kim Chong-in, "chief secretary in charge of economy", who flew to Tokyo as a "special envoy" of No Tae-u, called on the Japanese prime minister on December 20 and foolishly attempted to obstruct normalisation of DPRK-Japan relations, according to a foreign press report.

He reportedly begged the Japanese prime minister to promote the negotiation for normalisation of DPRK-Japan relations, conditional on the progress of South-North dialogue.

The ridiculous utterances of the South Korean authorities at a time when the preliminary talks between the DPRK and Japan for the normalisation of DPRK-Japan relations have just closed and the opening of full-dress talks is on the order of the day revealed once again their sinister and shameful intention.

Their entreaty is a criminal act of the splittists who are trying to obstruct the normalization of the relations between the peoples of the DPRK and Japan indefinitely and drive a wedge between them.

The South Korean authorities must immediately stop their foolish manoeuvrings to obstruct the normalisation of DPRK-Japan relations.

South Plans To Submit UN Entry Memorandum

SK2312090890 Pyongyang KCNA in English
0805 GMT 23 Dec 90

[Text] Pyongyang December 23 (KCNA)—The puppet minister of foreign affairs blared that his clique submitted to the United Nations Security Council a so-called "memorandum" on the "justness" of South Korea's "entry into the United Nations", according to a radio report from Seoul.

Announcing this at a news briefing on December 21, he said that it would be distributed to the member states as an "official document" of the U.N. Security Council around December 26.

The circulation of the paper calling for South Korea's "unilateral admission to the United Nations" behind the scene of the inter-Korean high-level talks where the removal of political and military confrontation between the North and the South and the entry of the North and the South into the United Nations with a single seat is under discussion is an unpardonable act of perfidy.

This makes it plain that the puppet clique do not want North-South dialogue for reunification, and it is a disgraceful act of entreating foreign forces to internationally "recognise" the state in which fellow countrymen are living divided.

If the South Korean puppet clique persistently follow the road of division and creation of "two Koreas", going against the ardent desire of the whole nation for reunification, they will face a stern judgement by history.

South's 'Suppression' of Press Denounced

SK2212051690 Pyongyang KCNA in English
0450 GMT 22 Dec 90

[Text] Pyongyang December 22 (KCNA)—The No Tae-u group recently let loose riot police some 140 strong to ransack the Sangjin bookbindery in Seoul and seize 19,000 copies of the new year issue of the magazine MAL which carried an article on the national reunification question written by Rev. Mun Ik-hwan. And it is threatening that it will "take Rev. Mun into custody again", taking issue with his tour of different areas of South Korea for delivering reports on his visit to the North.

Such outrage of the South Korean authorities is a premeditated political suppression aimed at stifling the people's desire for reunification and the progressive press, says NODONG SINMUN today.

It is a far-fetched argument to charge Rev. Mun with the "violation of the National Security Law", taking exception to his article which offers no problem, the news analyst says, and continues:

The article dealing with the reunification question and the magazine which carried it can never be objects of suppression.

Such practice of the South Korean authorities as making a case of his article and report on his visit to the North cannot be construed otherwise than a political retaliation against the patriotic figure who visited the North and an intrigue to take him back to prison.

The No Tae-u group must promptly stop the fascist suppression of the patriotic champions of reunification and immediately release the illegally arrested people who visited the North.

South's No Tae-u Cited for 'War Provocation'

SK2312103190 Pyongyang KCNA in English 1015 GMT 23 Dec 90

[Text] Pyongyang December 23 (KCNA)—No Tae-u "inspected" the units of the puppet army and the U.S. forces in the western sector of the frontline on December 22 and incited war fever against the North, according to a radio report from Seoul.

The fact that No Tae-u showed up on the frontline and whipped war hysterics against the North, at a time when the inter-Korean high-level talks to ease the tensions and preserve peace on the Korean peninsula are under way, shunning the North's proposal to adopt the nonaggression declaration between the North and the South has evoked a bitter indignation among all the fellow countrymen.

His recent "inspection" of the frontline proves again that there is no "threat from the North" on the Korean peninsula, but only a constant threat from the South.

The U.S. imperialists and the South Korean puppet clique must discontinue such a criminal act as going against the global trend toward detente and immediately stop the war provocation manoeuvrings to invade the North.

South's Use of Forces for Anticrime Criticized

SK2412054090 Pyongyang KCNA in English 0456 GMT 24 Dec 90

["Last-Ditch Efforts of Those Driven to the Wall"—KCNA headline]

[Text] Pyongyang December 24 (KCNA)—NODONG SINMUN today comments on the decision of the South Korean authorities to mobilise even the "homeland defence reserve forces" in the "war against crimes" around the new year.

It is quite ill-boding for them to have decided to let loose even the "homeland defence reserve forces" with arms in the "war against crimes", not content with the mobilisation of the puppet regular armed forces and the police, the news analyst says, and continues:

This is, no doubt, the start of a new reactionary offensive aimed at totally stifling the patriotic forces demanding independence, democracy and reunification with the general mobilisation of suppressive forces.

The "war against crimes" declared by the traitor No Tae-u is a scorched-earth operation against the patriotic forces struggling for reunification and democracy and not a "mopping-up" campaign against gangs, violent crimes and drug organisations as he said.

The intention of No's ruling group to continue such a campaign against patriotic forces next year and stage the "war" on a larger scale with the mobilisation even of the "homeland defence reserve forces" more clearly revealed its anti-national, anti-reunification nature.

The brutal suppression of the pro-reunification and pro-democracy forces by the authorities reveals the last-ditch efforts of those facing the crisis of destruction.

The fate of the fascists and traitors challenging the nation and brandishing sword against patriotism will never last long.

Paper in Japan Hails Reunification Efforts

SK2212044390 Pyongyang KCNA in English 0414 GMT 22 Dec 90

[Text] Pyongyang December 21 (KCNA)—MINJOK SIBO, a newspaper of Koreans under the influence of the "South Korean Residents Association in Japan" (Mindan), in an editorial said that this year, the first year of the 90s, was a brilliant year which marked the beginning of the 90s as a decade of reunification, a decade of changes.

A qualitative change has been brought about in the reunification movement by repulsing the obstructive moves of the separatist forces and making the historic August 15 pan-national rally a success by the efforts of the driving force of reunification in the North, South and overseas, the editorial said, and went on:

Following the pan-national rally (PNR), the formation of the pan-national alliance for reunification which was decided at the PNR was confirmed again at the Berlin tripartite working-level talks and, at the same time, an agreement on strengthening the alliance and working to greet 1995 as "the year of reunification" was reached and the plan of struggle for reunification was crystallized. Thus, the framework of a historic joint front for national reunification has been set up between the motive force of reunification in the North, South and overseas and the basic orientation to achieve the reunification in the 90s was defined.

Referring to the North-South reunification soccer games and the "traditional concert for reunification seeing 1990 out," the editorial noted that these non-governmental exchanges have added fuel to the aspirations of all the fellow countrymen for reunification.

1990 was, indeed, a historical year in hewing out the destiny of our nation and people, the editorial emphasized.

U.S. Urged To 'Give Up' Military Exercises

SK2312091990 Pyongyang KCNA in English 0812 GMT 23 Dec 90

[Text] Pyongyang December 23 (KCNA)—The U.S. imperialists and the South Korean puppet clique are plotting to force the criminal large-scale "Team Spirit" joint military exercises against us next year, too, according to KYONGHYANG SINMUN in Seoul.

The paper reported that this was disclosed by the U.S. imperialists and the puppet military on December 20.

The U.S. imperialists and the puppets have already agreed upon the scale, the period, the operational zone of the war game and decided to bring tens of thousands of troops into the war exercises from the U.S. mainland.

They decided to mobilise nuclear equipment in the "Team Spirit" war exercise next year as usual and do not conceal the ulterior intention to stage aerial mobil operation, "commando" operation and harassing operation in the rear.

The U.S. imperialists and the puppets must give up their wild ambition to invade the North and renounce the dangerous nuclear war plan.

Paper Says South, U.S. Aggravate Tensions

SK2212113090 Pyongyang KCNA in English 0958 GMT 22 Dec 90

["Reckless War Rackets Behind Scene of North-South Dialogue"—KCNA headline]

[Text] Pyongyang December 22 (KCNA)—NODONG SINMUN today denounces the reckless military rackets raised by the South Korean authorities behind the scene of North-South dialogue.

The author of the article quotes the great leader Comrade Kim Il-song as teaching:

"...The United States and the South Korean authorities have disregarded our peaceful efforts, and are continuing to follow a line of confrontation and war, thereby further aggravating the tension."

First of all, the article notes, the South Korean puppets have held in succession dangerous war confabs with the U.S. imperialists against us behind the scene of North-South dialogue.

A "military committee session" and an "annual security consultative meeting" between the United States and South Korea were recently held in Washington some time ago. In the "joint statement" that followed they stated that "security cooperation" would be maintained long and the "joint defence posture" be strengthened between the United States and South Korea and, in case a war broke out on the Korean peninsula, the U.S. imperialist aggression forces in South Korea would be reinforced and reorganized into a combat force, the South Korean puppet army undertaking logistic support, such as the supply of ammunition and equipment, to the U.S. Forces, and the "team spirit" joint military exercises would be conducted continuously.

Behind the curtain of dialogue the South Korean puppets are building up armed forces and getting feverish in war exercises against the North.

The puppet defence minister prattled recently at the "defence committee of the national assembly" that a new motorized infantry division will be formed and tanks and assault helicopters be secured in the new year for increasing the combat power of the ground force. Meanwhile, the U.S. imperialists passed through congress a bill on selling to the South Korean puppets military equipment worth 356 million dollars including 20 cobra helicopters and 42,000 shells. The South Korean puppets have already introduced multi-purpose transport planes and signed contracts with U.S. munitions companies for the purchase of 120 F-18 fighter planes.

Still more grave is the fact that the puppets let the U.S. imperialist aggressors use South Korea as a ground for nuclear war exercises and are staging almost every day frantic war maneuvres aimed at a nuclear forestalling attack on the DPRK. In November the U.S. imperialists and the South Korean puppets hysterically staged war exercises against the North on the ground, the sea and in the sky on scores of occasions, embroiling the whole land of South Korea in a war atmosphere. They commit without hesitation grave military provocations against the territorial waters and air of our side. This proves that the puppets are now working hard to aggravate the tension on the Korean peninsula in a premeditated manner.

The grave military rackets which cast a gloom over the prospect of the North-South dialogue prove that the No Tae-u group does not have the least intention to ease tension on the Korean peninsula, promote trust and achieve peaceful reunification through dialogue.

It is quite foolish of the No group to try to vanquish someone with strength, by joining the U.S. imperialists in their war policy.

The South Korean puppets should give up the old confrontation and war moves and act with discretion.

Czechoslovak President Sends Note to Kim Il-song

SK2212115190 Pyongyang Domestic Service in Korean 1200 GMT 20 Dec 90

[Text] The great leader Comrade Kim Il-song has received from Vaclav Havel, president of Czech and Slovak Federal Republic a reply to the congratulatory

message sent to him on the occasion of the 72d anniversary of the formation of the independent state of Czechoslovakia.

The reply reads:

Pyongyang

Your Excellency Kim Il-song, president of the DPRK:

Your Excellency, I express thanks to you for your kind congratulations and greetings extended on the occasion of the 72d anniversary of the formation of Czechoslovakia.

I sympathize with your firm conviction that the friendly relations between our two states will continue to develop.

Vaclav Havel, president of Czech and Slovak Federal Republic

18 December 1990, Prague

KCNA Reviews 24 Dec NODONG SINMUN

SK2412055690 Pyongyang KCNA in English
0500 GMT 24 Dec 90

[Text] Pyongyang December 24 (KCNA)—NODONG SINMUN today carries news that immortal classical works of the great leader President Kim Il-song were reported in foreign countries.

The daily conveys words of South Korean people highly of praising dear Comrade Kim Chong-il as the guider of the nation.

Public figures of different countries are speaking highly the wise leadership and immortal exploits of President Kim Il-song and our party, says the daily.

An article of the daily tells that the life of Comrade Kim Chong-suk who remained boundlessly loyal to the revolutionary cause of chuche is shining with the immortal exploits she performed devoting her all to the sacred cause of the restoration of the fatherland and the freedom and liberation of the people, upholding President Kim Il-song at the head of the Korean revolution.

The daily editorially calls for stepping up preparations for next year's farming.

The daily carries a success in spreading humus soil in the field across the country and an account of a ceremony for opening to traffic of "Hyosong Bridge" in Kangdong County under the deep care of the party.

The daily devotes one whole page to a special write-up with articles introducing successes made in different domains of the national economy this year under the headline "A Year That Adorned the First Onward March of the 90s With Proud Victories Under the Leadership of the Party".

Echoed in the daily is reaction of South Korean people to the performance of the Pyongyang National Musical Troupe who participated in the "traditional concert for reunification seeing 90 out".

The daily comes out with an article titled "General Association of Korean Residents in Japan Vigorously Advances Along the Road of Patriotism".

The general secretary of the French Communist Party and the chairman of the Communist Party of Austria separately met a delegation of the Workers' Party of Korea, says the daily.

It runs a commentary denouncing the South Korean puppets for having decided to mobilize even "homeland defence reserve forces" in the "war against crimes" around the new year and a commentary condemning the South Korean puppet government for issuing an "official document" to install in press organs including broadcasting corporations "a fund-raising channel for compensation" to the bereaved families of victims, allegedly to solve the "Kwangju problem" (suppression of the Kwangju popular uprising in 1980).

South Korean news of the daily includes reports that the U.S. imperialists and the puppet clique are scheming to stave large-scale "Team Spirit" joint military exercises next year, and the traitor No Tae-u incited a fever of war against the North during his tour of units of the puppet army and the U.S. Forces in the western sector of the front.

The U.S. imperialists staged joint aerial attack exercises, says the daily.

Foreigners who saw the concrete wall built in the area south of the military demarcation line demanded the removal of the wall, denouncing the U.S. imperialists and the South Korean authorities, according to the daily.

It informs the readers that a seminar on the question of Korea's reunification was held in Nepal, the Nepali Committee for Promotion of Korea's Reunification was inaugurated, and a meeting of the liaison council of all strata under the special committee on labour conscription of the Japan Socialist Party was held in Japan.

Included in the international news columns of the daily are reports that the Chinese PEOPLE'S DAILY laid stress on consolidating the people's confidence in socialism, a statue of Comrade Ho Chi Minh was unveiled in Viet Nam, the Zambian president denounced Israel's policy of occupying Arab territory, the Pakistani president underlined the importance of self-reliance, the U.N. General Assembly called for continued sanctions South Africa and the economy in Eastern Germany is going from bad to worse.

The daily introduces economic achievements of Cuba.

The daily in an article says that the Gulf situation has reached a very dangerous phase due to the armed intervention moves of the U.S. imperialists.

The daily runs an article on the ever worsening debt crisis of developing countries caused by the U.S.-led imperialists' harsh exploitation.

Daily Discusses Consolidation of Social Classes

SK2312095790 Pyongyang KCNA in English
0825 GMT 23 Dec 90

["Consolidation of Socio-Class Basis of Party Is Important Requirement for Building Working Class Party"—KCNA headline]

[Text] Pyongyang December 23 (KCNA)—NODONG SINMUN in a by-lined article today stresses that the consolidation of the socio-class basis of a party is a very important matter of principle in building a working-class party.

The article says:

The socio-class basis of a party means what classes and strata a party regards as its socio-class basis in building itself and conducting its activities.

The Workers' Party of Korea [WPK] was founded and has been strengthened and developed on a most solid and comprehensive socio-class basis.

The validity of the WPK's idea on strengthening the socio-class basis of the party lies, first of all, in that it clarifies the idea that a working-class party can be strengthened and developed into a mass party only when it regards farmers and working intellectuals along with working class as its basis.

To build a party on a broad mass foundation is an important requirement for strengthening its socio-class basis.

The WPK defined from the beginning the working class, peasants and working intellectuals as its component, put forward a line of building a mass party and thoroughly implemented it, thereby strengthening itself on a most broad socio-class foundation.

The validity of our party's idea on strengthening the socio-class basis of a party lies next in that it indicates a way of constantly developing the party on a solid socio-class foundation at present when the socialist construction is developing in depth and a new change has taken place in socio-class composition.

Some changes have taken place in the socio-class composition as the society developed and the technical and cultural level of working people rose. The number of physical labourers decreases whereas the number of those engaged in mental and technical labour, the intellectuals, increases.

The emergence of people engaged in technical and mental labour among the working class means their cultural and technological change, not change of their socio-class position.

For the strengthening of the socio-class basis of a working-class party, the party should not only rely on broad classes and strata but also enhance their revolutionary spirit and class character.

An effective political and ideological work among the popular masses by a working-class party is an important way of raising their political and ideological level and consolidating the socio-class basis of the party by giving predecence to ideological remoulding, stresses the article.

Many Films of Diverse Themes Produced

SK2212044090 Pyongyang KCNA in English
0358 GMT 22 Dec 90

[Text] Pyongyang December 21 (KCNA)—Many films of diverse themes which have great cognitive and educational value have been produced in Korea this year.

The great leader President Kim Il-song said:

"The demand of people for films is increasing daily and the cognitive and educational value of the film medium is growing with the development of the revolution and construction."

The greatest success in the domain of film medium this year is the production of "Secret Camp in Mt. Paektu," the fourth part of a series of the feature film "The Sun of the Nation", as a master piece. It represents the glorious and brilliant revolutionary history of the great leader President Kim Il-song and his immortal exploits in the period right after the historical Tonggang meeting. The Association for the Restoration of the Fatherland, the first organisation of the anti-Japanese national united front in Korea, was founded at the Tonggang meeting in may, 1936, during the anti-Japanese revolutionary struggle.

The film shows on a vivid artistic canvas Comrade Kim Il-song setting up guerrilla bases of a new style around Mt. Paektu and expanding and strengthening the anti-Japanese armed struggle into the homeland with his rare intelligence and outstanding commanding art.

The film has become an outstanding success in the film medium this year for its profound thematic and ideological content and high level of artistic representation.

Several feature films depicting old intellectuals who remained boundlessly loyal to the party and the revolutionary cause have been also produced.

The feature film "The Brilliant Morning" (two parts) gives an emotional description of the fact that President Kim Il-song successfully resolved the problem of native cadres in Korea right after liberation, regarding intelligentsia as the motive force of the revolution, as a component part of the party.

The second part of the feature film "The Vicissitudes of Life" has been completed as a masterpiece. It represents

on a high ideological and artistic plane the growth of an intellectual with a propertied class origin into an official in charge of an economic sector of the country.

"The Fifty Two Stars," "The Echo of Thick Forests," "Members of the League of Young Communists" and other feature films based on revolutionary traditions, which tell about the struggle of guerrillas and young communist league members in enemy-controlled areas during the anti-Japanese armed struggle were produced and are widely screened.

The first part "Alarm," the second part "Secret Base 'Askom'" and the third part "The Liaison Official Goes to the West" of the multi-part feature film "Red Maple Leaves" based on a historical fact are also successful pieces of this year.

They give vivid portrayal of the heroic struggle of the unknown soldiers who had performed great feats for the fatherland and people in their activities behind the enemy lines for a long time.

Many feature films showing the noble traits of youth and other working people who are upholding the socialist country with boundless devotion to the party and the leader, and the country and the people have been released.

"We Are Youth," "Unforgettable Memory," "The Third Gold Medal" and many other feature films give good answers as to wherein lie the true worth of life and happiness for the youth and how they should live to make their youth worthwhile. They are now evoking a lively response from the young people.

Feature films depicting the noble traits of the people of our times who devotedly work all their life for the prosperity of the country, including "The Sons of Cholsan Hill," "The Native Land" and "Those Who Go a Long Way," the first part of "Those Whom I Met," were produced this year.

Scores of documentary films have also been produced in Korea this year.

"Wishes of Longevity," "The Party and People Share One Mind" and many other documentary films show vividly the boundless loyalty of the people to President Kim Il-song and the indestructible might of the Korean people who are united behind the party and the leader with one mind.

The documentary film "We Always Live and Struggle This Way" and other documentary films show the romantic, cultural and emotional life of the working people who are stepping up socialist construction with revolutionary optimism.

The Korean Scientific and Educational Film Studio produced scores of animated cartoons including a series "Young General" (parts 11-18) which tells about a boy of the Koguryo Dynasty (277 B.C.-668 A.D.) who fought bravely against foreign aggressors, and scientific films, making the film stage of this year more colourful.

Firm Faith in Socialism Stressed

SK2212101390 Pyongyang Domestic Service in Korean 0007 GMT 21 Dec 90

[NODONG SINMUN 21 December special article: "The Firmness of Our People's Faith in Socialism"]

[Text] The great leader Comrade Kim Il-song, in his recent replies to the questions posed by the chairman of the Nepalese Journalists' Association, said that one of the secrets of the continuous and victorious advance of our socialism lies in the firmness of our people's faith in socialism. The great leader Comrade Kim Il-song has taught: Socialism is continuously and victoriously advancing in our country because, above all, the guiding ideology of our revolution is excellent and our people's faith in socialism is firm.

Having firm faith in socialism is the essential requisite to the cause of socialism itself, and it is a very important problem connected with its fate and future.

To build socialism, we have to carry out a difficult and vast work of crushing the resistance of all sorts of enemies and of remaking nature and society in conformity with man's independent demands. Moreover, socialism can run into unexpected difficulties in the process of its building and can experience a transient vicissitude. Therefore, we should have firm faith in socialism to make our way through all the difficulties and trials and victoriously advance the cause of socialism.

The unequalled sacrifice and devotion and vigorous fighting spirit and passion with which we resolutely struggle for socialism can only be highly exalted based on the firm faith in socialism.

Today our people are vigorously accelerating the chuche socialist cause with firm faith in socialism. Our people's faith in socialism is the conviction that the chuche socialist cause following the leadership of the great party and leader is the most just and that it will certainly be victorious, and it is the unshaken will and resolve to resolutely struggle to complete it.

Our people's firm faith in socialism is demonstrated in thinking and acting according to the party's ideology and will in whatever circumstances and in brilliantly realizing the party's idea with wholehearted unity around the party. Today our people are highly exerting the unequalled mass heroism in the struggle to better build the socialism of our own style under the slogan "If the party determines, we will do it." This is clear proof of the firmness of the faith of our people who believe in and follow only the party and the leader.

The firmness of our people's faith in socialism is manifest in their struggle with a firm belief that the imperialists' antisocialist maneuvers are doomed to fail and that the victory of socialism is the inevitability of the historical development. Today our people are thoroughly seeing through the corrupt nature of the modern imperialism which is making its last-ditch effort engaging in bravado and bluster and its irreversible serious crisis. They are firmly convinced of the inevitability of its downfall. Hence, our people are upholding the banner of socialism with firm faith in an environment in which the imperialists' offensive is intensive.

Our people have a firm faith in socialism because they firmly believe that the socialism of our own style is the most just. The faith in socialism is the firm belief in its justness and victory. The people who have the conviction of the justness of their cause and victory can cherish unshaken faith in socialism.

Our socialism is the chuche socialism which is built and developed by the great chuche idea. The fundamental characteristic and superiority of our socialism lies in the fact that it is guided by the chuche idea, the great man-centered ideology which puts forward thoroughly defending and realizing the popular masses' chajusong as the supreme objective of the revolution.

The justness of the socialist cause is defined, importantly, by how it defends and realizes the popular masses' independent demands and interests. The kind of socialism which provides the popular masses with happy lives suitable for their nature can be described as the most just and superior socialism.

Today our socialism is the socialism which conforms to the popular masses' independent demands and commands absolute support and trust of the broad popular masses because it is built and developed with the chuche idea, the great man-centered guiding ideology, being its sole ideological foundation. Socialism is the society based on the revolutionary ideology of the working-class, and the might and development of socialism is ensured by the revolutionary nature, scientific nature, and realistic nature of the practical theory on which it is based. Our socialism is making continuous progress today in any environment, highly demonstrating its dignity and invincible might because it has the chuche idea, the guiding ideology of our times, as its guiding policy.

Our people have firm and unshaken faith that our socialist cause which is pioneered and advanced under the banner of the chuche idea is the most just cause suitable for the independent aspiration of the popular masses and the fundamental ideals of socialism and that its victory is inevitable. Our people have firm faith in socialism today because they have a strong main force that drives the socialist cause. The firm faith in socialism is the ideological feeling that can be deeply cherished only when we not only perceive its justness but also have our own strong might, the chuche might that can powerfully advance the socialist cause.

The socialist cause is the cause that is pioneered and made victorious by the active role of the main force. The solidity of the main force is the fundamental factor that determines the success of the socialist cause, and the victory of socialism lies in the might of the main force. Therefore, the people should have the strong main force in carrying out the socialist cause so that they can cherish the firm faith in victory and devote themselves to the struggle for socialism.

The main force of the socialist cause is the popular masses firmly rallied around the party and the leader. Today our country has a powerful main force of the revolution with which all the people are firmly united around the party and the leader, and its might is being strengthened more with each passing day.

In our country today, the indestructible Workers' Party of Korea is standing firmly in the center of the revolutionary ranks, and the popular masses, who have shared their destiny with the party in the course of the protracted revolutionary period, are in wholehearted unity with the party. The unity and cohesion of our people who are firmly united around the party and the leader are the wholehearted ideological unity based on the great chuche idea, and the unity of action in one mind with which they push through mountains and raging waves if called upon by the party. Nothing can break up the unity and cohesion between our party and the masses which are firmly combined into one socio-political living body.

Now our people are firmly convinced that so long as they have the strong main force of the revolution, they can carry out well any vast task and that our socialist cause will be victorious without fail. Today our people have a firm belief in socialism because they have the most correct line and policy of socialist construction. The correct line and policy are the essential requisite that enables the people engaged in socialist construction to cherish firm faith in their victorious future. The people should have the line which correctly elucidates the road of socialist construction so that they can vigorously struggle with a firm faith and optimism and with a clear objective and method. Today our people are firmly convinced that the line of socialist construction put forward by our party is the most precise guideline for the completion of socialism, and are struggling through fire and water for its implementation, because the line and the policy of our party are the most correct strategy and tactics that have been put forth precisely reflecting our people's demands and interests and the inevitable demands of socialist construction.

All lines and policies set forth by our party, including the general line of socialist and communist construction to strengthen the people's government and to vigorously accelerate the three revolutions, most accord with the specific situation of socialist construction in our country, and, at the same time, we have most just lines and policies in all fields and sectors. Our party's policy,

because of its correctness and truthfulness, has demonstrated great vitality in the protracted struggle for socialism and has proven its worth in today's reality.

Through their practical struggle our people today not only have deeply realized the correctness and vitality of our party's policy, but have also been firmly convinced that only by following the line and policy set forth by the party can they most rapidly and successfully build our socialism without the slightest degree of faltering and turns and twists. Our people's firm faith in socialism is based on their deep mastering of the incomparable superiority of socialism of our style and its invincible vitality.

Through their protracted struggle for socialism our people have deeply experienced the justness, superiority, and promising future of the socialist cause. Our people have been firmly convinced, through their practical life, that the man-centered socialist society of our style is a most outstanding society which accords with the inherent demands of human beings to live independently, free from exploitation and oppression. They have also great dignity over and attachment to their livelihood in their socialist society. Because of this, socialism has taken deep roots in the minds of our people, and their faith in socialism is becoming firmer with each passing day.

Such faith in socialism that our people have mastered deep in their hearts not only through theory, but also through their practical life cannot be broken up by any force. Our people's faith in socialism is the firm ideological and mental features which have been formed and constantly inherited in the long course of struggle of our revolution.

Since the days of the anti-Japanese revolution when our socialism took its historic roots under the leadership of the great leader, the Korean Communists and people have staunchly struggled with the single-hearted desire to build a paradise for the people in which the chuche idea is embodied. Such faith of our people has been consolidated along with the victorious advance of the revolution, has been constantly inherited generation after generation, and has been more firmly deepened amid the march of modeling the whole society after the chuche idea.

The primary source of the firm faith in socialism that our people have cherished in their hearts today lies in the wise leadership of the party and the leader. All valuable things that have led our people to have firm faith in socialism are precisely the noble fruit of the wise leadership of the party and the leader. Therefore, our people's faith in socialism is precisely the faith in the wisdom of the leadership of the party and the leader, that is to say, the faith in the greatness of the party and the leader.

The respected and beloved leader Comrade Kim Il-song created the great chuche idea already in his early days, brilliantly pioneered the socialist cause in our country under its banner, and, thus, has built the man-centered superior socialism of our style.

The dear Comrade Kim Chong-il is leading the socialist construction cause of our people to brilliant victory with the firm determination and will to infinitely add luster to the socialism of chuche. Our people are today looking ahead at a brilliant future of socialism of our style from the wise leadership of the great party and leader and are vigorously struggling, cherishing in their hearts the faith in certain victory that the socialist cause of chuche will be victorious without fail as long as the party's leadership exists.

All party members and the working people should more vigorously accelerate socialist construction with the firm faith that our socialist cause is most correct and just and that it will be victorious without fail.

South Korea

North Closes PRAVDA Office in Pyongyang

SK2112131390 Seoul Television Service in Korean 1200 GMT 21 Dec 90

[Announcer read report]

[Text] In addition to closing the Pyongyang branch of the Soviet Union's NOVOSTI news agency, North Korea rejected the approval of the Pyongyang correspondent of PRAVDA [as heard], an organ of the Soviet Communist Youth League, and also closed the PRAVDA office in Pyongyang.

Refuses Entry Visa to Reporter

SK2412085790 Seoul YONHAP in English 0641 GMT 24 Dec 90

[Text] Seoul, Dec. 24 (OANA-YONHAP)—North Korea refused an entry visa to a journalist from the Soviet news agency TASS on Saturday, South Korean Government officials said Monday. And last week it closed the Pyongyang offices of the Soviet NOVOSTI NEWS AGENCY and KOMSOMOLSKAYA PRAVDA, the Communist Party youth newspaper, they said.

Political analysts in South Korea, drawing links between the unannounced closures and the Dec. 13-16 visit to Moscow by South Korean President No Tae-u, predicted further deterioration in Pyongyang-Moscow relations. Pyongyang was taken by surprise at the speed of Seoul-Moscow rapprochement and is indirectly protesting it by hindering the activities of Soviet journalists in North Korea, they said.

The closures came amid a volley of criticisms, they observed. Radio Moscow on Friday dismissed as "unworthy of response" the accusation of Pyongyang that Seoul was practicing "beggar's politics" in seeking better ties with the Communist giant. A day later, Pyongyang extensively reported on criticisms within the Soviet Union of

Prime Minister Nikolay Ryzhkov and broadly hinted that Moscow's openness policy was a failure.

A North Korea-Soviet joint military exercise that has been held every September or October since 1986 was scrapped this year, officials said. The discomfort between the two countries, traditionally the closest of allies, was widely perceived early last month when Moscow demanded cash payment at undiscounted prices for all North Korea's purchases from next year. The demand is expected to hit Pyongyang hard as it was paying only one-fourth to one-half of the common market price for most of the items, including crude oil.

Pyongyang, said to owe as much as 65 percent of its foreign debt to Moscow, is choosing to retaliate non-politically against the Soviet decision to improve relations with South Korea, the South Korean officials claimed. Seoul and Moscow formalized relations on Sept. 30 and No was in the Soviet Union this month, the first South Korean head of state to ever visit, for a summit. "Pyongyang-Moscow ties are likely to become more uncomfortable if Gorbachev visits Seoul as expected this coming spring," one official said. He has never been to Pyongyang.

North May Accept Simultaneous UN Admission

SK2212031090 Seoul CHUNGANG ILBO in Korean 21 Dec 90 p 2

[Correspondent Pang In-chol from Tokyo]

[Text] Diplomats in Tokyo are saying that North Korea has changed its attitude toward the idea of the South and the North seeking simultaneous admission into the United Nations, and that it will accept the proposal next year.

A Japanese Foreign Ministry official said that North Korea had made this change known to the Japanese side at the third round of preliminary talks for Japan-North Korea negotiations over the normalization of diplomatic relations held on 16-17 December in Beijing. He interpreted this shift in North Korea's stand as a sign of changes in the policy of North Korea's top leader to cope with the changing international situation following the establishment of diplomatic relations between the ROK and the USSR.

The Japanese Foreign Ministry, however, has not commented on North Korea's changed policy toward the United Nations.

The Japanese Foreign Ministry official said that North Korea must have been greatly stung by President Gorbachev's clear support of the ROK proposal on simultaneous admission of the South and the North into the United Nations. This support became evident at a news conference during President No Tae-u's visit to the Soviet Union on 15 December. At the news conference, President Gorbachev said he was "sympathetic to the proposal."

Commenting on this, a China watcher said that he knew North Korea had recently informed the Chinese Government through diplomatic channels of its intention to accept the proposal for the simultaneous admission of the South and the North into the United Nations.

Energy Shortages Reported in N. Korean Economy

SK2212011590 Seoul KOREA DAILY in English 22 Dec 90 p 2

[Text] Chronic economic difficulties in North Korea have lately turned from bad to worse due chiefly to the extreme scarcity of energy, it was reported yesterday.

The CHUNGANG DAILY NEWS, quoting a highly placed intelligence source, said that because of oil shortages, more than half of all plants in North Korea have gone out of operation and about 30 percent of the fleet of military vehicles have been grounded.

The situation is even more critical in areas other than Pyongyang, where all vehicles except military ones are operated once in every two or three days.

The source reportedly said the condition of maritime shipping or fishing is no better. Almost all ships are unable to sail out for shipping or fishing without some special purposes, and as a result, fish catch has plummeted, he said.

Another source was quoted by the daily as saying that if things go on like this, "The North Korean economy, struck by energy and food crises, would face a perilous condition around March next year."

The energy shortage has swept all across the North after North Korea launched a sweeping energy conservation drive following the Soviets' notification early last September that they would supply oil to North Korea with hard currencies and at international prices beginning next year.

So far, North Korea imported Soviet oil at what is called the "friendship price" of 5 dollars per barrel, a price applied to fellow socialist countries.

Inter-Korean Panel on Environment Sought

SK2212005590 Seoul THE KOREA HERALD in English 22 Dec 90 p 2

[Excerpt] Kim Tae-chung, president of the Party for Peace and Democracy (PPD), will propose the establishment of a committee to discuss ways of promoting mutual cooperation between South and North Korea on environmental issues.

The opposition leader floated the idea during a debate on PPD's position on environmental policies during the 1990s, held at the Press Center in Seoul. The forum was sponsored jointly by the Korean Reporters Club for the Environment and the Korea Journalists' Association.

Kim said he will seek to dispatch a party delegation to Pyongyang to discuss the proposal if the government allows PPD delegates to visit North Korea next April when it will hold an Inter-Parliamentary Union.

He said Mt. Kumkang in the North should be developed in such a manner as to preserve the environment, adding that many East-bloc nations, including North Korea, face a severe environmental problem. But he said he thinks the North is less polluted than the South since the former is less urbanized and industrialized. [passage omitted]

Gregg's Invitations to Politicians Criticized

SK2212045190 Seoul KYONGHYANG SINMUN in Korean 21 Dec 90 90 p 2

[From the "Reporter's Memorandum" column by political affairs reporter Yi Yong-ho: "Three Kims Dashed to the U.S. Embassy"]

[Text] The three Kims were recently invited by U.S. Ambassador Gregg, one after the other, to his official residence, and each had lunch with him there. Rumors and speculations abound regarding these meetings.

On 14 December, when President No Tae-u was visiting Moscow, Kim Yong-sam, executive chairman of the Democratic Justice Party [DJP], was invited to lunch by Ambassador Gregg; on 19 December, Kim Tae-chung, president of the Party for Peace and Democracy [PPD], was invited; and on 20 December, Kim Chong-pil, DJP co-chairman, was invited.

There is nothing unusual about such a meeting over luncheon, especially at the end of the year.

However, the fact that Ambassador Gregg invited the three Kims separately leaves a somewhat sour taste, because his "invitation" may give the impression of a "summons" to others, although Ambassador Gregg might have been taking the delicate feelings and dynamic relations among the three Kims into consideration.

As for the case of Executive Chairman Kim Yong-sam, he was invited to U.S. ambassador's official residence on three or four occasions this year alone.

We have never heard that Chairman Kim failed to respond to an invitation.

Acceptance of such frequent invitations without ever declining one may cause misunderstanding that such an invitation was, in actuality, a summons.

One thing that we should think about is whether the position of the U.S. ambassador is one which can recklessly issue [nambal] the invitations to people, regardless of their positions, high or low.

Foreign ambassadors to the ROK have as their counterparts the bureau director, vice minister and assistant vice minister in the Ministry of Foreign Affairs.

Giving a protocol grade to each politician is difficult. However, excessively frequent invitations of political leaders by an ambassador seems inappropriate.

It would seem much better for the ambassador to make a call on politicians if there is the need for such a meeting.

Our politicians should realize how difficult it is for the ROK ambassador to the United States to invite high-ranking U.S. officials, even once. We think it is now time for our politicians to more sensibly view this situation. Each of the three Kims has his eye on the presidency next time, and thus the three may be more conscious of the United States. However, they should pay more careful attention to their personal way of acting, in view of ROK-U.S. relations that have to be maintained after one of them becomes the next president.

When we see one dropping everything to rush to respond to the invitation of the U.S. ambassador, just when a foreign policy of national self-respect is being highly voiced, we are disappointed.

"No occasion hurts our pride more than attending a party hosted by the U.S. Embassy, because every such party is full of distinguished politicians and businessmen, including heads of government agencies and vice ministers. It is hard for plain Foreign Ministry officials even to find a place to sit." Is it not necessary for the three Kims to examine such a complaint from one of our diplomats, if only for the sake of a mature, equal partnership between the ROK and the United States?

U.S. Envoy Urges North To Help Lower Tension

SK2112122990 Seoul YONHAP in English 1208 GMT 21 Dec 90

[Text] Seoul, Dec. 21 (YONHAP)—U.S. Ambassador to South Korea Donald Gregg said Friday that the United States has asked North Korea to take "reciprocal" steps to lower tension on the Korean peninsula in line with U.S. move to reduce its forces in South Korea.

Speaking in an interview with the "Voice of America," Gregg also said Washington has expressed its willingness to be "flexible" on South Korea-U.S. joint military exercise, which has been one of major obstacles hindering the progress of the inter-Korean dialogues.

Explaining that the United States is getting down to some steps aimed at lowering tension in the peninsula, including the reduction of the scale of the team spirit exercise, the U.S. diplomat said, "We've said to the North Koreans we'd like to see some reciprocal actions on your (North Korea) part."

North Korea has persistently asked the South to scrap the annual joint "team spirit" exercise, which has been officially described as a defensive training program.

"We are hopeful that sooner or later the North Koreans will find it in their hearts to perhaps move some troops

back from the demilitarized zone (DMZ) or take some concrete actions which would balance that which we are already undertaking," he said.

Asked on the present state of U.S.-North Korean contacts in Beijing, Gregg said, "the atmosphere at the talks is very friendly, but we have not seen much substance come out of it.

"I think the North Koreans felt something of a sense of increased isolation as the Soviets have moved toward the South and as the Chinese have opened up a trade office," he observed. "We are not trying to drive North Korea into a corner. We are trying to engage it. We are trying to help it become a more participatory member of the family of nations," said the diplomat.

Asked whether South Korea's northern policy gives him any sort of twinge, the U.S. ambassador said, "We welcome the contacts they (South Koreans) have been making with the Chinese and the Soviets, and the Hungarians, Bulgarians and all of what used to be called Eastern Europe. There is nothing of a zero-sum game involved in that.

"We think it as a tremendous diplomatic achievement on the part of the South Koreans. I am more disturbed by the polls from within South Korea showing that (Koreans), particularly young Koreans, do have the misguided view that we oppose unification, that we oppose the Northern policy and so forth."

On U.S.-Korea relations, he said, "There is a scratchy patch on trade relations, and yet we continue to narrow the trade gap between Korea and the United States... So things, in a macro-sense, I think, are going very well."

He said the "strong" relationship between the two countries will remain strong "until the final unraveling of the threat from North Korea and until reunification will take place."

Cho Sun Interviewed on Seoul-U.S. Trade Issues

SK2412104390 Seoul TONG-A ILBO in Korean 24 Dec 90 p 3

[Report on interview with Cho Sun, former deputy prime minister and special presidential envoy, by Paek Sung-hun, reporter; place and date not given]

[Text] "The U.S. Government, Congress, businessmen, and journalists have a unanimous view that the ROK is implementing policies at variance with a liberal trade system. Both the ROK Government and civilians should coolly cope with impending ROK-U.S. trade issues from the standpoint that these should be resolved according to 'the rules of the international game,'" said Cho Sun, former vice prime minister, who visited the United States on 11 December as a special presidential envoy. He contacted various figures in the United States, including ones from the administration and Congress, to discuss ROK-U.S. trade discord. He returned on the afternoon of 23 December.

He said that during his visit he stressed the ROK's difficult economic situation and that he made the U.S. understand it to some extent.

[Paek Sung-hun] What was the U.S. view on the ROK-U.S. trade issue?

[Cho Sun] I contacted figures in the United States and made speeches in research institutes and during informal talks. During such meetings, I sensed that the views and opinions of the U.S. Administration, Congress, businessmen, and journalists on trade with the ROK were unanimous and consistent. In other words, they considered that the ROK's policies had deviated from liberal trade. For example, the U.S. side pointed out that the ROK is implementing the policy of restricting imports while waging a movement to curb overconsumption.

[Paek] What was the U.S. position on the failure of the Uruguay Round [UR] negotiations?

[Cho] The United States thinks that the UR negotiations could not lead to a settlement because the EC, the ROK, and other countries opposed them. In other words, the United States' reaction was that it was unfair that the ROK, despite its gains from liberal trade, opposed the UR negotiations.

[Paek] During your visit to the United States, what did you think was the basic reason for ROK-U.S. trade discord?

[Cho] I think an accumulation of small problems caused it. Such small events as a cartoon published by Korea's Agricultural Corporation was widely publicized in the United States. Thus, from the U.S. viewpoint, the ROK is deviating from a liberal trade system. This also made a negative impression on U.S. businessmen, and such a negative view is growing.

[Paek] What is your opinion on the troublesome points in our trade policy?

[Cho] We should coolly analyze them. It is important for us to make the other side clearly realize what we are trying to do by implementing consistent policies. Our government and civilians should correctly inform our partner of our position and the direction of our policies. There is a basic difference in perceptions between the ROK and the United States, because the two sides are approaching the trade issue from their own, respective positions. The ROK should coolly cope with this issue ultimately by following the "rules of the international game."

[Paek] What is your opinion on the ROK-U.S. trade friction next year?

[Cho] I think that both the ROK and the United States should make efforts to remove trade friction. The two

nations have become far distant at present. They should make every effort to understand each other.

[Paek] It was learned that our side made many concessions to the United States during the ROK-U.S. working-level trade talks in Seoul on 17 and 18 December. What was the U.S. reaction to this?

[Cho] I only noticed the U.S. Department of Commerce's reaction due to a lack of time. It did not express great satisfaction.

[Paek] What will you say about the overall results of your U.S. visit?

[Cho] It seemed that the United States appreciated my visit as special presidential envoy, since I am a former deputy prime minister. As a result of my explanation about ROK difficulties, the United States seemed to become aware of them to some extent. But I think that the United States' basic view and perception have not changed.

Economic Agreements With Romania Take Effect

SK2212015590 Seoul YONHAP in English 0119 GMT 22 Dec 90

[Text] Seoul, Dec. 22 (YONHAP)—Two agreements between South Korea and Romania—one on the economy, science and technology and the other on trade—took effect Friday, opening the way for the two countries to take specific steps to improve bilateral relations in those fields, the Foreign Ministry said.

The two pacts were signed by Korean Foreign Minister Choe Ho-chung, and his Romanian counterpart, Adrian Nastase, on Aug. 8 in Bucharest.

Under the agreement on the economy, science and technology, the two countries will hold seminars and symposiums on those sectors and exchange scholars.

The trade accord calls for treating each other as a most favored nation and to settle bills in convertible currency.

Duty Reduction on Foreign Imports Announced

SK2212015990 Seoul YONHAP in English 0126 GMT 22 Dec 90

[Text] Seoul, Dec. 22 (YONHAP)—The Finance Ministry has increased the number of imports subject to concessionary tariffs from 80 to 115, cutting duties on Hungarian photographic film, British whiskey and Malaysian palm kernel oil.

The Industrial Policy Review Committee lowered the average tariff from 15.2 percent to 10.2 percent for 31 items from Hungary, including photographic film, liquor, steel and aluminum.

Duty on four British whiskies was reduced from 50 percent to 40 percent at London's request and the tariff on Malaysian palm kernel oil is to be the same as that of Philippine palm oil at 10 percent in 1991, 9 percent in 1992 and 7 percent in 1993.

U.S. wine and 20 related imports that are already subject to concessionary rates will undergo tariff cuts from 30 percent to 25 percent in 1991 and 20 percent in 1992 under a Seoul-Washington agreement signed last year.

'Massive' Cabinet Reshuffle Likely Next Year

SK2212032390 Seoul YONHAP in English 0254 GMT 22 Dec 90

[Text] Seoul, Dec. 22 (OANA-YONHAP)—President No Tae-u intends to carry out a major Cabinet reshuffle early next year to start the second half of his presidency with a new lineup, informed sources indicated Saturday.

The reshuffle most probably will include Prime Minister Kang Yong-hun, who is said to have expressed his desire to resign, Deputy Prime Minister Yi Sung-yun and the home, foreign, finance, justice, energy and resources, health and social affairs, and labor ministers, the sources said.

No is also planning to bring in some new presidential secretaries to further revamp the political line, replacing Yi Hong-ku, special assistant for political affairs, Kim Chong-in, senior secretary for economic affairs, and No Chang-hui, senior secretary for protocol.

The outgoing secretaries are expected to take up posts in the administration.

No is looking for an experienced administrative official in his 50s to replace Kang, and possible candidates include Pak Tae-chun, co-chairman of the ruling Democratic Liberal Party [DLP], So Tong-kwon, head of the Agency for National Security Planning, and DLP Rep. Yi Chun-ku, the sources said.

The president, who enters the fourth year of his five-year term in February next year, is revamping the Cabinet to gain economic and political stability, observers said.

The moves are also related to the local elections scheduled for March, they said.

This particular Cabinet change is widely seen as setting the course for the remainder of No's term and thus requires extreme caution, the sources said.

Opinion is generally split on whether the new cabinet should be launched to start 1991 or whether more time should be spent on selection.

Ministers appointed on March 19 are likely to keep their posts, including Defense Minister Yi Chong-ku, Culture Minister Yi O-yong, Cho Kyong-sik, the agriculture, forestry and fisheries minister, Yi Sang-hui, the construction minister, and Ho Nam-hun, the environment minister.

So Tong-kwon, although a candidate for prime minister, may also retain his position and Yi Yon-taek, the government administration minister, is also likely to stay.

Among presidential secretaries, Secretary-General No Chae-pong, Kim Chong-hui, diplomacy and security assistant, Kim Yong-il, civil affairs secretary, and Kim Hak-chun, political research aide, are expected to be retained.

A Chongwadae official confirmed that No is considering a cabinet shakeup but said he has not yet expressed a personal opinions on it.

"But the reshuffle will be massive this time, and quite a large number of secretaries will also be moved about," he said. "The general consensus is that the year-end is too soon, so the reshuffle is likely early next year or maybe mid-January."

A DLP official said a reshuffle was on the way but "early next year at the earliest."

Reshuffling of Senior Military Posts Noted

SK2212061390 Seoul YONHAP in English 0540 GMT 22 Dec 90

[Text] Seoul, Dec. 22 (YONHAP)—In a reshuffle of senior military posts decided Saturday, Lt. Gen. Song Ung-sop, acting first vice chief of the Joint Chiefs of Staff, and Lt. Gen. Kim Chin-yong, army educational commander, will be promoted to the rank of full general and will be named, respectively, first vice chief of the Joint Chiefs of Staff and vice Korea-U.S. combined forces commander.

Song, 53, is a member of the Korea Military Academy's 16th graduating class and Kim, 51, a member of the 17th class.

Lt. Gen. Cho Nam-pung, 52, (18th class), a former defense security commander who was relieved of his duties following the disclosure that the Defense Security Command was spying on civilians, will be named army educational commander.

Under the establishment of the Joint Chiefs of Staff on Oct. 1, one of the three vice chiefs of the Joint Chiefs of Staff is to be a general to bring the number of four-star generals to nine. The eight full generals currently are the chairman of the Joint Chiefs of Staff, the Chiefs of Staff of the Army, Navy and Air Force, the vice commander of the South Korea-U.S. Combined Forces Command and the commanders of the First, Second and Third Armies.

Lt. Gen. Pak Ik-sun, 54, (16th class), chairman of the National Defense Research Committee, will be made chief of the review task force of the Defense Ministry: Lt. Gen. Chong In-kyun, 54, (16th class), who took the charge of the army parade on Armed Forces Day, will be president of the National Defense College: and Lt. Gen. Yi Pyong-tae, 53, (17th class), a corps commander, will be the head of Defense Ministry Munitions Headquarters.

Gen. Na Chung-pae, 54, (15th class), the Korea-U.S. Combined Forces vice commander, Lt. Gen. Yi Tae-hui, (15th class), chief of the review task force of the Defense Ministry, Lt. Gen. Chong man-kil, (15th class), dean of the National Defense College, and Lt. Gen. Kim Hak-ok, (16th class), head of the Defense Ministry Munitions Headquarters, will be placed on the reserve list.

Seven major generals, including Maj. Gen. So Wan-su, (19th class), special warfare commander, and Maj. Gen. Kim Chin-son, (19th class), Capital Defense Headquarters commander, will be promoted to lieutenant general and 10 brigadier generals to major general.

No Says Former President Should End Exile

SK2412094090 Seoul YONHAP in English 0720 GMT 24 Dec 90

[Text] Seoul, Dec. 24 (YONHAP)—President No Tae-u says his predecessor, Chon Tu-hwan, should return to Seoul before the new year because it is "undesirable" for him to spend a third consecutive winter in exile. "It is a grave misfortune for our nation and undesirable for us all that a former president is meeting his third consecutive winter at a remote temple. I believe he should come down and end his secluded life as soon as possible, certainly before the end of this year," No told reporters.

Former President Chon should return to his house in Yonhui-tong because "it is the only house he owned before he became president. On leaving for Paektam Temple, he left the Yonhui-tong house in the hands of the government, asking for it to be dealt with according to the people's wish. The government will let him keep it, however, in light of the law on the treatment of former presidents," No said.

Chon, No's classmate at the Korea Military Academy and a fellow general, seized power in May 1980 in the turmoil following the assassination of President Pak Chong-hui in October 1979. He ruled the nation until No was inaugurated on Feb. 25, 1988, and on Nov. 23 that year exiled himself at Paektam Temple in repentance for mismanagement of state affairs and corruption during his rule.

Meanwhile, Yi Yang-u, a legal consultant to Chon, said one of No's aides had informed someone at the temple of No's wish. "The matter is totally up to Chon himself. But now that No has expressed his wish for Chon's return on behalf of the political bloc, Chon is expected to decide accordingly," Yi said. Yi said he would go to the temple in a few days to convey No's views to Chon.

Kim Yong-sam, executive chairman of the ruling Democratic Liberal Party, has hinted that No conferred with him over the timing of Chon's return by telling journalists, "Isn't it that Chon is to meet his 60th birthday soon? Don't you think he should return before the turn of the year? He should return, after all."

PPD To Seek Opposition Merger After Elections

SK2212052290 Seoul YONHAP in English 0509 GMT 22 Dec 90

[Text] Seoul, Dec. 22 (YONHAP)—Opposition leader Kim Tae-chung has indicated his Party for Peace and Democracy (PPD) will not seek to merge his party with other opposition groups before local elections in March.

Three months is not enough time to complete a merger and be ready to contest the elections, he told reporters on Saturday.

A previous effort to merge with the splinter Democratic Party and a dissident group failed, but Kim said his party had made a "most distinguished contribution" to implementing local autonomy and support was growing across the nation.

The system of electing one councilor from each district is not necessarily disadvantageous to the PPD, which will make the maximum use of the system's merits, Kim said.

The PPD had sought to have two or three councilors per district, but surrendered to the ruling party.

Kim said all 71 PPD lawmakers, including himself, will join in campaigning for the local elections in groups.

Party chapters should recommend candidates and party headquarters endorse the recommendation in consultation with the chapter, he said.

The PPD was ready to consider any plan to unite the opposition whether it came from outside the party or inside the party, and if dissidents form a party, the PPD will participate on an individual basis, he said.

Kim said he had not named some key party officials, including vice presidents, because he had expected the effort to merge the opposition to accelerate after the PPD's national convention in July.

Since that did not happen, he will appoint vice presidents and other key party officials by the end of the year because there is no hope for a merger and realignment of the leadership is needed to prepare for local elections, Kim said.

Seoul To Give Aid to High-Tech Manufacturers

SK2112134190 Seoul YONHAP in English 1309 GMT 21 Dec 90

[Text] Seoul, Dec. 21 (YONHAP)—The South Korean Government will provide manufacturers with 740 billion won of official subsidies as well as various financial and taxational benefits to encourage their efforts to develop technology next year, according to a basic plan mapped out Friday in a meeting of the committee for developing high-tech industry.

The meeting, which was presided over by Deputy Prime Minister Yi Sung-yun, decided to divert 491 billion won from the government budget and 249 billion won from the public sector to use in the projects for developing technology and training skilled technicians.

Of the fund, 34 billion won will be distributed to colleges for basic research, up from 21.7 billion won this year, 82.6 billion won for forming a fund for supporting basic sciences and 20 billion won for supporting private universities' plan to purchase research equipment.

The plan allocates 114.5 billion won for supporting policy research activities at the trade-industry and science-technology ministries.

The plan advises the government to use 2.6 percent of its total defense budget on research and development, compared with 2.4 percent this year.

Cambodia

Reportage on Cambodian Peace Talks in Paris

Hun Sen, Delegation Arrive in Paris

BK2112134990 Phnom Penh Domestic Service in Cambodian 1300 GMT 21 Dec 90

[Text] According to our special correspondent in Paris, the delegation of the State of Cambodia headed by Comrade Hun Sen, chairman of the Council of Ministers of the State of Cambodia and member of the Supreme National Council [SNC], arrived in the French capital on 21 December to attend the meeting on the settlement of the Cambodian problem at the invitation of the cochairmen of the Paris International Conference on Cambodia.

The delegation also included Comrade Tie Banh, vice chairman of the Council of Ministers, minister of national defense, and SNC member; Comrade Kong Sam-ol, vice chairman of the Council of Ministers and SNC member; Comrade Hor Namhong, minister of foreign affairs and SNC member; Comrade Chem Snguon, member of the Council of State and SNC member; Comrade Sin Song, minister of the interior and SNC member; Comrade Cham Prasit, deputy minister attached to the Council of Ministers Cabinet; Comrade Sok An, deputy minister of foreign affairs; and Comrade Uch Kim-an, deputy minister assistant to the chairman of the Council of Ministers.

In his arrival statement, Comrade Hun Sen said that the UN role is necessary in a Cambodian solution, but it must be clearly defined and must conform with the UN Charter.

Moreover, Comrade Chairman Hun Sen stressed in his statement: It is imperative to take serious measures to eliminate all the bases of the genocidal Pol Pot regime. Cambodia must not be placed under the control of any other country or any international organization. The Cambodian people have the right to exercise their right to self- determination with the elections being the key to a political solution.

Comrade Chairman Hun Sen set three conditions for a political solution: first, strict respect for Cambodia's independence and sovereignty; second, strict observance of the UN Charter; and third, the prevention of the genocidal Pol Pot regime's return.

He said: The Cambodians within the SNC will agree on what powers should be handed over to the United

Nations. My colleagues and I will take measures aimed at definitively eliminating the revival of the genocidal Pol Pot regime.

Comrade Chairman Hun Sen also proposed that foreign military aid be stopped immediately, a cease-fire implemented throughout Cambodia, and preparations made as soon as possible for free elections in Cambodia.

In Bangkok, where Comrade Hun Sen and his party stopped over for more than one hour en route to Paris, they were warmly received by Pansak Vinyarat and Kraisak Chunhawan, advisers to Thai Prime Minister Chatchai Chunhawan, and the deputy director of the Thai Foreign Ministry's General Political Department. The two sides exchanged views on the Cambodian solution. The discussion proceeded in a cordial atmosphere.

Hun Sen Makes Arrival Statement

BK2212095390 Phnom Penh SPK in French 0505 GMT 22 Dec 90

[Text] Phnom Penh 22 Dec (SPK)—Following is the full text of the statement by the Chairman of the State of Cambodia's Council of Ministers, Hun Sen, upon his arrival in Paris on 21 December to attend the "consultative meeting" of the cochairmen of the Paris International Conference on Cambodia [PICC] and the Cambodian Supreme National Council.

"The questions relating to the independence, sovereignty, and the right to self-determination of a people are the inviolable principles applicable not only to the Cambodian people but also to all nations of the world.

"The UN Charter stipulates that every state has the obligation to fully abide by these principles. Encroachement on the independence, national sovereignty, and right to self-determination of the Cambodian people would constitute a violation of the UN Charter and create a dangerous precedent for other nations.

"The Cambodian conflict should be settled politically and such a solution should be based on the following three principles:

"1. Strict respect for independence, sovereignty, and right to self-determination of the Cambodian people. Cambodia should not be placed under the control of any country or international organization. Decisions relating to political and military problems and the choice of a political, economic, and social regime and of future Cambodian leaders should be taken only by the Cambodian people—the only people who are entitled to exercise the right to self-determination through free elections under the auspices and control of the United Nations, if such a role is granted by the Supreme National Council. The elections are the key to a political solution; their results will solve all the problems raised.

"2. Strict respect for the UN Charter. The role of the United Nations in a solution to the Cambodian people is necessary. However, this role should be clearly defined and conform to its charter and the principles of respect for sovereignty and right to self-determination.

"3. A solution to the Cambodian problem should guarantee the nonreturn of the genocidal Pol Pot regime. After toppling the bloody regime of Pol Pot and keeping the genocidal danger at a safe distance, the Cambodian people will not accept any political solution which would allow this regime to play a future role in the political life of Cambodia. The prevention against the reappearance of genocide or the elimination of the threat of a repeat of such practices are judicial and moral questions. In every agreement on a political solution to the Cambodian problem, one cannot omit practical measures to solve these questions definitively.

"Therefore, serious measures should be taken to eliminate the foundation of the genocidal regime and not let it maintain a political, military, economic, and social organization which could become a source of power for recreating itself.

"I lead a delegation which comprises SNC members the State of Cambodia to France at the invitation of the cochairmen of the PICC in order to search for a political solution to the Cambodian problem. I join with other SNC members and participants in working out an agreement which conforms to the principles of national sovereignty and the right to self-determination of the Cambodian people. This means that Cambodia's internal issues should be thrashed out among Cambodians themselves. Cambodians who are part of the SNC in their role as the source of power and representatives of Cambodia's sovereignty, should concentrate on deciding what powers to grant the United Nations while conforming to this body's charter and without encroaching upon Cambodia's sovereignty.

"I and my colleagues will complete measures aimed at eliminating definitively and forever the recurrence of the genocidal Pol Pot regime.

"I would like to stress that the State of Cambodia Government does not oppose a UN role in settling the Cambodian problem. We have proposed that the United Nations has the role in supervising the implementation of international agreements on Cambodia, organizing and controlling the elections in Cambodia. However, we demand that in return, the United Nations respects the independence, sovereignty, and the right to self-determination of the Cambodian people and also propose that the United Nations respects its own charter.

"In conclusion, in order to quickly achieve a political solution to the Cambodian problem, a solution allowing the holding of elections, we propose:

"1. That a cease-fire agreement be worked out, that outside military aid be quickly terminated, and that the cease-fire be implemented throughout Cambodia in order to create a peaceful and neutral environment for the elections.

"2. That free elections be organized and implemented as soon as possible under the auspices and control of the United Nations.

"Everything should be decided by Cambodians. No other person can say otherwise."

Hun Sen, SNC Members Meet Officials

BK2212125690 Phnom Penh Domestic Service in Cambodian 1100 GMT 22 Dec 90

[Text] According to an SPK correspondent, on the morning of 21 December, Comrade Hun Sen, chairman of the State of Cambodia's Council of Ministers and member of the Supreme National Council, and Phnom Penh's other five SNC members, met with Levitte, chief of the Asia-Pacific Department of the French Foreign Ministry; the representative of Indonesian Foreign Minister Ali Alatas; and Ahmed Raffiudin, deputy UN secretary general.

The French and Indonesian diplomats informed the SNC members from Phnom Penh about the procedure of the meeting with the agreement of the Paris International Conference on Cambodia cochairmen, UN officials, and the Cambodian SNC members.

Report on 21 Dec Paris Meeting

BK2212134790 Phnom Penh Domestic Service in Cambodian 1300 GMT 22 Dec 90

[Text] According to sources in Paris, the meeting of the Cambodian Supreme National Council members began on the morning of 21 December within the framework of a secret meeting on the Cambodian problem to ask France and Indonesia various questions concerning the peace plan of the five major powers.

The meeting, which began secretly at 1100 GMT with the address of Roland Dumas, cochairman of the Paris International Conference on Cambodia, adjourned at 1230 GMT for lunch. The meeting resumed at 1400 GMT. Comrade Chairman Hun Sen was to address the meeting along with Norodom Ranariddh. Indonesian Foreign Minister Ali Alatas and Ahmed Raffiudin, special UN envoy, spoke in the morning.

On 21 December, after the first day of meeting with Cambodian representatives in Paris, Roland Dumas said in a news conference with Ali Alatas and Ahmed Raffiudin that no one has rejected the five major powers' draft peace plan. He pointed out that the meeting, which is only a phase in the peace process, will resume on the morning of 22 December under the same form. Dumas said the first day of the meeting was held in a constructive and positive atmosphere and stressed that a number of the SNC members expressed their unreserved backing and support for the draft peace plan. Meanwhile, other SNC members had called for clear explanations and clarifications.

Ali Alatas pointed that a major task had been carried out in six meetings over one year, three of them in Jakarta. He specified that the clarifications provided to a number of SNC members focussed on the relationship between the SNC and the transitional UN organization and also on details relating to the military aspect and the elections. Dumas stressed that we are still in the explanatory phase. He added that the deputy UN secretary general is in charge of preparing a written report for the 22 December concerning all the proposed clarifications which could be attached to the draft agreement. However, Dumas stressed that the Paris conference can be reconvened only if this current phase went smoothly. He specified that the meeting will resume on the 22d at 0830 GMT.

Report on Second Day of Talks

BK2412075590 Phnom Penh Domestic Service in Cambodian 0430 GMT 24 Dec 90

[Text] According to an SPK correspondent, the meeting between the cochairmen of the Paris International Conference on Cambodia and the representative of the UN secretary general, and the members of the Supreme National Council held at the Kleber Conference Center since 21 December ended at midnight on 22 December.

The second day of the meeting, which began in the morning, consisted of separate lengthy and secret bilateral talks between the PICC cochairmen and deputy UN Secretary General Ahmed Raffiudin and the SNC members from Phnom Penh and the other six SNC members from the tripartite coalition government.

At a press conference, Indonesian Foreign Minister Ali Alatas described the talks as a new genuine step forward in the Cambodian peace process. He noted that this issue was different from the one in Jakarta and at other meetings on the settlement of the Cambodian problem.

French Foreign Minister Roland Dumas, who cochaired the plenary extraordinary session, stated that the latest statement and an explanatory note would be transmitted to the coordinating committee of the Paris international conference, which, he said, would be reconvened early next month in the form of the first working meeting of the Paris international conference.

The latest statement underlines that an agreement is reached on most of the fundamental points. However, remaining questions will be further discussed by the coordinating committee and the SNC members, taking in consideration different views raised by the SNC.

The French foreign minister said that the two fundamental questions which needed further discussion and clarification were the demobilization of military forces and the return of the genocidal regime. These are issues of vital importance for the survival of the Cambodian people, and the State of Cambodia is particularly concerned.

Further Details on Paris Talks

OW2312104990 Tokyo KYODO in English 1034 GMT 23 Dec 90

[Text] Paris, Dec. 23 KYODO—An international conference on the Cambodian question ended in Paris on Sunday without full agreement on a final U.N.-sponsored peace plan aimed at solving the conflict, conference sources said.

But participants agreed to continue talks to narrow their differences on the peace plan proposed last month by the five permanent members of the U.N. Security Council.

French Foreign Minister Roland Dumas and his Indonesian counterpart Ali Alatas co-chaired the meeting of the Paris International Conference on Cambodia, which was also attended by representatives of the Phnom Penh-government led by President Heng Samrin and the three-party coalition resistance government fighting it.

According to the communique issued at the end of the Paris conference, the newly formed 12-member Supreme National Council—the interim governing body for Cambodian national reconciliation formed by the four Cambodian groups—has reconfirmed its acceptance of the U.N. peace plan as the basis for resolving the Cambodian conflict.

But the Vietnam-backed Heng Samrin government raised questions for further discussion about the disarming of the military forces operating in Cambodia and the prevention of the return to power of a "genocidal regime", a reference to the Communist Khmer Rouge, one of the three coalition resistance groups, the sources said.

The five U.N. members are the United States, China, Britain, the Soviet Union, and France.

Dumas said a coordinating meeting of the Paris conference will be held sometime between January and March next year to discuss unresolved issues.

Dumas, Alatas on Peace Plan Talks

BK2212084190 Jakarta ANTARA in English 0740 GMT 22 Dec 90

[Text] Paris, Dec 22 (OANA-ANTARA)—The second meeting of the Paris International Conference on Cambodia (PICC) on Saturday, continued to discuss details of the Cambodian peace plan, proposed by the U.N. Security Council as basis for the achievement of a comprehensive political solution of the Cambodian problem.

The first day of the second PICC meeting was marked by a demonstration in front of the conference building by sympathizers of the Paris-based Cambodian National Front, demanding for a quick solution of the problem.

The first PICC meeting was held in Paris in 1989.

On the first day of the second PICC meeting a small incident as French Foreign Minister Roland Dumas called it, happened. After a luncheon on Friday noon, Hun Sen suddenly fell ill and was immediately rushed to Val de Grasse military hospital in Paris.

A part of the Cambodian factions had fully agreed to a comprehensive political solution of the Cambodian problem, but the other part still needs clarifications, Indonesian Foreign Minister Ali Alatas and his French counterpart Roland Dumas told the press here on Friday after the conclusion of the first day of the PICC meeting.

Ali Alatas and Roland Dumas denied, however, that one of the members of the (Cambodian) Supreme National Council had rejected the proposed peace plan.

Answering newsmen, Roland Dumas said that there are indeed several members who still need or have asked for clarification from the co-chairmen about certain articles of the peace plan.

The negotiations on the first day clearly proceeded smoothly and no one of the 12 SNC members had officially rejected the proposed peace plan, he added.

Asked by journalists which of the members still needed clarification, the French foreign minister declined to answer and only said that they only asked for clarification of details of the peace plan which were, however, not fundamental in character.

However, according to Sihanouk and Khmer Rouge sources, what remained an obstacle for the achievement of a solution in the Cambodian problem, was the stand of the Phnom Penh side led by Hun Sen who rejected the plan.

When asked about this problem, Foreign Minister Alatas only said that he supported all statements by Roland Dumas, that no one had rejected officially.

In a previous statement in the conference room, Ali Alatas said that they were now closer to achieving a comprehensive political solution to the Cambodian conflict compared to what had been achieved so far.

He went on to say that the framework of the comprehensive political settlement consisted of three (proposed) main agreements.

Firstly, a draft agreement which covered the main elements for an overall settlement, had 32 articles and five enclosures, consisting respectively of a proposed mandate for the UNTAC [United Nations Transitional Authority in Cambodia] withdrawal of all, troops, cease fire and related actions, general elections, repatriation of Cambodian refugees as well as principles for a new Cambodian Constitution.

Secondly a (separate) draft agreement covering sovereignty, independence, territorial integrity, neutrality and Cambodian national solidarity.

Thirdly, a draft declaration on rehabilitation and reconstruction of Cambodia.

Roland Dumas said that all clarifications and proposals submitted at the meeting would be included in the peace plan, after the plan for a comprehensive political settlement had been agreed by all Cambodian factions.

SPK Carries 'Final Statement'

OW2312141590 Phnom Penh SPK in English 1115 GMT 23 Dec 90

[Text] Following is the full text of the final statement of the Paris conference on Cambodia:

The two co-chairmen of the Paris Conference on Cambodia (PCC), Mr Roland Dumas and Mr Ali Alatas, convened a meeting in Paris, on the 21st and 22nd December 1990, for the purpose of consultations with the 12 members of the Supreme National Council (SNC). The representative of the secretary general of the United Nations, M. Ahmed Raffiudin, was also present. The co-chairmen formally presented to the members of the Supreme National Council the draft agreements on a comprehensive political settlement as prepared by the two co-chairmen of the PCC and the permanent members of the Security Council on 26 November last. The members of the Supreme National Council then expressed their views on them.

Upon the request from members of the Supreme National Council, an informal explanatory note concerning certain provisions in the texts was provided.

In the course of the discussions, the members of the SNC reiterated their acceptance of the framework document formulated by the five permanent members of the Security Council in its entirety as the basis for settling the Cambodia conflict.

As regards the draft agreements of 26 November last, there was concurrence on most of the fundamental points. The remaining questions will be further discussed at the coordinating committee and among the members of the SNC, taking into account the views expressed by the SNC members. It was agreed that the draft agreements be transmitted, together with the explanatory note, to the Coordinating Committee of the PCC, which should be reconvened at an early date.

The two co-chairmen, the 12 members of the Supreme National Council and the representative of the United Nations secretary general agreed that for the Paris conference to be reconvened in an atmosphere propitious to national reconciliation, one important condition would be for all parties to the conflict to exercise genuine restraint on the battlefield.

Alatas Satisfied With Outcome

BK2412073090 Jakarta Domestic Service in Indonesian 0700 GMT 24 Dec 90

[Text] Foreign Minister Ali Alatas expressed satisfaction over the outcome of the Paris meeting to solve the Cambodian problem, which was held from last Friday until yesterday. Even though there are still many things to be done to reach a comprehensive political solution to the Cambodian problem, the outcome of the said meeting is seen as significant progress.

Speaking to ANTARA NEWS AGENCY in Paris yesterday, Minister Alatas said the meeting, cochaired by Indonesia and France, was attended by all 12 members of the Cambodian Supreme National Council. The second session of the Paris meeting was not very smooth because there were many questions and requests for clarification by the Phnom Penh faction over the peace plan. The Paris meeting was also attended by Ahmed Raffiudin, an envoy of the UN secretary general.

Talks To Reconvene; Agreement on 'Most' Points

BK2312004390 Hong Kong AFP in English 0035 GMT 23 Dec 90

[By Anne Penketh]

[Text] Paris, Dec 23 (AFP)—Indonesia and France announced Sunday that they would reconvene the 19-nation Paris Peace Conference on Cambodia "at an early date," after the four rival Cambodian factions reached agreement on "most of the fundamental points" of a U.N.-drafted peace plan.

A joint statement issued after more than two days of arduous negotiations said the coordinating committee of the Paris International Conference on Cambodia would discuss the "remaining questions".

An "informal explanatory note" was also to be transmitted along with the draft peace settlement to the delegates of the coordinating committee, but the status of the note was not immediately clear.

Officials of Indonesia and France, who jointly chair the conference, warned that for the Paris talks to reconvene in an "atmosphere propitious to national reconcilation, one important condition would be for all parties to the conflict to exercise genuine restraint on the battlefield."

The text was issued as the meeting ended early Sunday, with the Vietnamese-installed government of Phnom Penh showing the most resistance to the U.N. plan worked out here on November 26 by the five permanent U.N. Security Council members.

The Khmer Rouge, the military backbone of the Cambodian resistance, has kept up an offensive against Phnom Penh, claiming military successes, as the peace process continued to stall.

The Paris Conference has been suspended since August last year, and it gave Indonesia and France the responsibility for reviving the process.

The U.N. plan, worked out here last month by the U.N. Security Council permanent members, gives the United Nations sweeping powers during a transitional period ahead of elections.

Cambodian Prime Minister Hun Sen had sought assurances that the plan would not mean the "dismantling" of his government.

The coordination committee, meeting at officials level, would be responsible for working out the final wording of the settlement putting an end to 20 years of war in Cambodia. The conference would then meet at ministerial level to ratify and sign the final agreement.

The three Cambodian resistance factions and Phnom Penh Government are grouped in the Supreme National Council, a transitional authority embodying Cambodian sovereignty until U.N. elections are organised.

But it appeared from Sunday's communique that fundamental differences still remained among the SNC's members.

Reportage on Premier's Visit to Paris for Talks

WA2412154090

For reportage on the visit by Premier Hun Sen to Paris for, including reports on his attendance at the Cambodian peace talks, please see the France section of the 24 December West Europe DAILY REPORT and subsequent issues.

VONADK—Hun Sen Faints, Taken to Hospital

BK2412025990 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 23 Dec 90

[Summary] The meeting of the two cochairmen—France and Indonesia—and the four Cambodian parties was held in Paris, France, on 21 and 22 December. The main aim of the meeting was to urge all warring factions in Cambodia to accept the UN peace plan for a comprehensive solution to the Cambodian problem.

During the 21 December meeting, the parties of the Democratic Kampuchean party, HRH Norodom Ranariddh, and His Excellency Son Sann, clearly stressed the national resistance forces' support for the UN peace plan for a Cambodian settlement. The participants clearly understood the resistance forces' stance and that of Vietnam and the Vietnamese puppets and stood firm on this UN document for a comprehensive settlement of the Cambodian problem.

But, through Vietnam, the Phnom Penh side—Hun Sen, Heng Samrin, and Chea Sim—voiced its opposition to the important points in the UN peace plan. "Due to this opposition, the Phnom Penh side became totally isolated in the meeting and the international arena. This isolation alarmed puppet Hun Sen so much that he became ill. He fainted, fell down in the meeting room, and was carried to the hospital."

After the 21 December meeting, everyone has become well aware of the Vietnamese-puppets maneuvers to reject the UN document. The people of the world have thus exerted more pressure on Vietnam and its puppets. They have told them that both Cambodians and people of the world regard the UN peace plan as the best and most reasonable plan for ending the Vietnamese war of aggression against Cambodia. Thus, if they continue to reject the UN peace plan and carry on the war, the world will certainly continue to oppose them in every way.

The Cambodian people who have followed the developments and the 21-22 December Paris meeting became aware of the true nature of the Vietnamese aggressors and their puppets who have caused untold destruction to the Cambodian nation and people.

"Dear Cambodian people: what are you waiting for?

"Dear Cambodian soldiers and officials in the puppet administration: The time has come for you to rise up. You should turn to attack the Vietnamese enemies and the handful of puppet-traitors in each locality so as to get rid of them.

"The Cambodians and people of the world will not let Vietnam and its puppet-lackeys continue their destructive war of aggression against the Cambodian people. It is imperative to jointly attack the Vietnamese enemies and their puppet-lackeys."

Further on Hun Sen Actions

BK2312021690 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 22 Dec 90

[From the "Foreign News" feature]

[Excerpt] [passage omitted] Puppet Hun Sen fainted because he was afraid of the document of the five permanent members of the UN Security Council [UNSC].

According to a report on the meeting in Paris between the cochairmen of the Paris International Conference on Cambodia and the four Cambodian parties, during the process of the talks, Puppet Hun Sen suddenly fainted and was carried away. Analysts said Puppet Hun Sen became unconscious because he was compelled by the Paris conference cochairmen and the tripartite resistance coalition to accept the peace document of the five UNSC permanent members. This was clear evidence that the Hanoi Vietnamese aggressors and their lackeys and puppets painstakingly and shamelessly continued to employ all manner of maneuvers to evade the document of the UNSC permanent members. They are ready to carry out whatever they can for the purpose of achieving their invasion and occupation of Cambodia.

No Opposition to UN Peace Plan at Paris Talks

BK2212074790 (Clandestine) Voice of the Khmer in Cambodian 0430 GMT 22 Dec 90

[Text] The Paris meeting on Cambodia—with the participation of the cochairmen of the Paris International Conference on Cambodia [PICC], Indonesian Foreign Minister Ali Alatas and French Foreign Minister Roland Dumas; Deputy UN Secretary General Rafeeuddin Ahmed; and the 12 members of the Supreme National Council [SNC]—has gone on for one day already, beginning Friday 21 December. The meeting will continue on Saturday.

On the first day the meeting started at 1150 French time. In the afternoon at 1600 Hun Sen was not present because he was ill and was taken to the hospital. According to statements by the cochairmen of the Paris conference following the meeting's Friday session, the meeting was constructive with the absence of opposition by Cambodian SNC members to the UN peace plan. The cochairmen said this meeting is a meeting to explain to Cambodian parties the UN peace plan, which has been worked out after many meetings.

After this first session Ieng Muli, a member of the SNC representing the Khmer People's National Liberation Front side, said the SNC members from the noncommunist side spoke in support of this peace pian.

Outside the meeting place many Cambodian monks and nationals met and shouted support for the UN peace plan. The meeting will resume at 0930 this Saturday, or 1530 this afternoon Cambodian time.

SNC Supports UN Peace Plan

BK2312071490 (Clandestine) Voice of the Khmer in Cambodian 0430 GMT 23 Dec 90

[Text] Reports from the meeting in Paris say that the meeting was concluded past midnight on Saturday 22 December with the Supreme National Council fully supporting the UN peace plan dated 28 August. All 12 members accepted the main points of the last document worked out by the five major powers on 26 November.

After the meeting, the French foreign minister said this meeting achieved satisfactory results which is a step toward a comprehensive solution to the Cambodian problem for peace in Cambodia.

The meeting in Paris was chaired by Indonesian Foreign Minister Ali Alatas and French Foreign Minister Roland Dumas with the participation of Rafeeuddin Ahmed, deputy UN Secretary General, and the 12-member Cambodian SNC.

The 12 members of the SNC have now acknowleged and requested the cochairmen of the Paris conference to urgently convene the meeting of the Coordinating Committee, which was set up at last year's session of the Paris international conference. This committee has the task of preparing the Cambodian peace plan.

Sihanouk Meets Son Sann, Khieu Samphan in Paris

OW2012075290 Beijing XINHUA in English 0733 GMT 20 Dec 90

[Text] Paris, December 19 (XINHUA)—Cambodian President Prince Norodom Sihanouk met here today and yesterday with Son Sann, prime minister of the Cambodian National Government, and Khieu Samphan, vice-president in charge of foreign affairs.

Son Sann and Khieu Samphan have been here to attend the consultations between the two co-presidents of the International Conference on Cambodia and the members of the Cambodian Supreme National Council (CNS) scheduled for December 21 in Paris.

Khieu Samphan, who arrived here Wednesday morning, had a talk with Son Sann in the afternoon after a lunch with Prince Sihanouk. He also met with Indonesian Foreign Minister Ali Alatas, who also arrived Wednesday.

These talks were focused on the meeting to be held on December 21, according to a Democratic Kampuchea source.

A French Foreign Ministry spokesman announced Wednesday that the meeting scheduled for December 20 would be postponed to December 21 for technical reasons. During the meeting, which will begin around 11:30 in the center of Kleber, French Foreign Minister Roland Dumas and his Indonesian counterpart Ali Alatas will submit to the 12-member CNS, which was set up in September in Jakarta, Indonesia, the documents produced by the co-presidents of the International Conference on Cambodia and the permanent members of the United Nations Security Council.

Most CNS members have arrived here, but prime minister of the Phnom Penh regime Hun Sen is reportedly due to arrive here on Friday morning just before the opening of the meeting.

Correspondent Reports on Progress of Paris Meet

BK2312074090 (Clandestine) Voice of the Khmer in Cambodian 0430 GMT 23 Dec 90

[Report from Paris by station correspondent Pol Ham on the meeting in Paris; date not given—recorded]

[Text] On this Saturday morning, the consultative meeting on the Cambodian problem resumed in Paris. The plenary session is set for the afternoon. This consultative meeting is set up in order to achieve a statement by the Cambodian Supreme National Council [SNC], which took part in a meeting with the Paris conference cochairmen and the representative of the UN secretary general.

This statement, if it can be achieved, is to confirm that the Cambodian SNC agrees and accepts the document worked out by the five major powers, the members of the

UN Security Council. This statement can also confirm the agreement in the near future—perhaps in the first or second week of January 1991—of the Coordinating Committee of the Paris International Conference on Cambodia [PICC], which will be attended by representatives of the 19 countries, members of this conference.

This coordinating committee is part of the Paris conference, which met for the first time in 1989 at the Kleber Conference Hall in Paris.

I will provide further reports on the outcome of the meeting once it has ended. It is to be specified that during the meeting at the Kleber Conference Hall in Paris, the demonstration by Cambodians, who have clamored for peace in Cambodia and for support for the document of the five major powers and member of the UN Security Council, continues despite a light rain and very cold weather in Paris.

Philippines

Rebels' Attempt To Bomb Basa Air Base Reported

HK2212083190 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 22 Dec 90

[Italicized passages in English]

[Text] Military rebels belonging to the Reform the Armed Forces Movement [RAM] attempted to bomb the Basa Air Base in Floridablanca, Pampanga last night. According to a report by a DZRH military source, the military rebels' attempt was foiled when two RAM officials were arrested. They were Colonel Emil Ong, an explosives expert, and a Colonel Calzado of the Philippine Air Force. They are now undergoing a tactical interrogation at the Basa Air Base. Two other colleagues of the arrested RAM leaders were reported to have escaped. Basa Air Base personnel have not confirmed the incident because their officials reportedly are the only ones authorized to issue a statement on the matter.

Meanwhile, Senator Ernesto Maceda, chairman of the Senate defense committee, said he will investigate the attempt to bomb Basa Air Base. The RAM leaders' attempt was carried out last night between 2100-2200 [1300-1400 GMT] on the eve of the Armed Forces 55th anniversary.

Information we just received states that a certain Captain Ordonez is being transferred from Basa Air Base to Camp Aguinaldo and is now undergoing a thorough investigation by military authorities. We also learned that the bombing attempt was launched while a Christmas party for military officials and men was ongoing.

In related news, Senator Ernesto Maceda ordered an investigation into the attempt to bomb Basa Air Base in Pampanga. In an interview with this announcer, Maceda said he will send one of his men to verify the truth behind this attempt by military rebels to bomb the jet fighter planes inside the military base. Maceda expressed concern over the incident because it showed that the military rebels have not stopped their attempts to attack. Here is part of Maceda's statement:

[Begin recording] [Maceda] This is really worrisome because it confirms that the rebels within the Armed Forces of the Philippines remain active. I hope General Biazon and General Flores face this problem immediately; how to resolve this. *Anyway, I will send whoever of my retired military generals who is a consultant to the committee to go to Basa and to look into the matter immediately.*

[Anchorman] The point of concern here, Mr. Senator, is the arrest of the two officials inside the Basa Air Base. Military authorities have been hunting these two officials when all along they were inside Basa.

[Maceda] That comes as no surprise because it had also been reported that Gringo Honasan himself, was seen entering Fort Bonifacio. [end recording]

Further on Bombing Attempt

HK2212090790 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 22 Dec 90

[By Restie de Quiros]

[Text] This is a follow-up report on an attempt to bomb several fighter jets inside Basa Air Base by Reform the Armed Forces Movement [RAM] last night, in which four members have now been arrested and are undergoing interrogation in Camp Aguinaldo. The military's success in arresting the four RAM members halted an alleged coup d'etat. The four were reportedly ordered to sabotage the fighter jets inside Basa Air Base. This was announced today by Armed Forces Chief of Staff General Rodolfo Biazon.

At the same time, Biazon said the attempt to bomb the fighter jets inside the military base could have been the signal to the rebel forces to launch their new plot. Biazon identified the arrested rebels as Army Captain Reynaldo Ordonez, one of those convicted by a military court for his involvement in the August 1987 coup attempt; Patrolman First Class Marianito Garate, Rafael Cunanan, and Reynaldo Perez. It was learned that the four fell into a trap prepared by the military when they attended a Christmas party inside Basa Air Base. They were allegedly trying to get the security personnel drunk, when they were arrested by the base's intelligence and security officials. Biazon said at about 1900 last night, he was given a tip by a deep penetration agent regarding the rebel soldiers' plot to sabotage the 5th Fighter Wing in Basa Air Base, Pampanga.

Newly-promoted Brigadier General Santiago Pitpitan, wing commander, immediately took precautionary measures and transferred some fighter jets like the F-5 to the Philippine Air Force main fighter wing in Palawan.

According to Biazon, the rebels planned to infiltrate the base between 1800 to 2000 last night, bringing with them goat meat mixed with (Atiwan) to give to the base's security people. Biazon said the rebels planned to place nine bundles of dynamite under the fighter planes and on the two fuel depots inside the base. According to Pitpitan, a fuel tank contains 840,000 gallons of jet fuel and had the rebels been successful in detonating these, the base could have been an inferno and could have resulted in the deaths of hundreds of people who attended the party. Confiscated from the arrested rebels were nine bundles of dynamite; seven of these were meant to blow up the fighter jets, while the two big bundles were for the fuel tanks. It was learned that the four entered the base at about 1900 last night in a Wrangler jeep with plate number CFE-717. Ordonez and Garate positioned themselves at the base's park, while Cunanan and Perez were about 75 meters away from their comrades. The park is a meter [as received] from the flight line.

More on 'New Coup Attempt'

HK2212075390 Hong Kong AFP in English 0743 GMT 22 Dec 90

[Text] Manila, Dec 22 (AFP)—A new coup attempt was foiled with the capture of four right-wing saboteurs at a Philippine Air Force base north of here, deputy military chief Major General Rodolfo Biazon said here Saturday.

The saboteurs had planned to blow up a fighter jet and two gasoline tanks at Basa Air Base to signal the start of another coup try, he said. "This is supposed to be a part of another coup attempt, but whether or not these plans can be implemented is another thing," Maj. Gen. Biazon said.

Intelligence reports indicated a new coup attempt was planned for Sunday through Wednesday, but "there are no indications at the ground that they have acquired the capability to launch another coup," Maj. Gen. Biazon said.

Dynamite bombs hidden inside a Christmas package and a pot of beef stew laced with sleeping pills were seized from the saboteurs late Friday after they were allowed to enter the base, he said.

The four, discharged army Captain Reynaldo Ordonez, an ex-army private and two civilians, were in a jeep and had claimed to have been invited to a Christmas party when they were admitted, he said. However, the military was already tipped off about the sabotage attempt and had flown out the six F-5 aircraft based at Basa earlier Friday, Maj. Gen. Biazon said.

Ex-captain Ordonez was previously captured after taking part in a right-wing coup attempt in August 1987, but was freed by colleagues in another coup attempt in December 1989. He was among 81 officers and enlisted men sentenced to at least 12 years in prison earlier this month for involvement in the 1987 coup attempt.

Another renegade officer, ex-army Lieutenant Colonel Dante Bernarte, reportedly watched the incident from outside the base but managed to escape.

Maj. Gen. Biazon, who is due to be named military chief next month, said dozens of families of soldiers would have been killed if the saboteurs had succeeded in blowing up the fuel tanks as the Christmas party was going on. Right-wing military renegades have launched six coup attempts against the government of President Corazon Aquino since 1986, the bloodiest and latest occurring one year ago.

President Aquino Delivers Christmas Message

HK2412073490 Quezon City Radyo ng Bayan in Tagalog 1300 GMT 23 Dec 90

[Message delivered by President Corazon Aquino during her "Magtanong sa Pangulo" [Ask the President] program—live or recorded]

[Text] Beloved countrymen: During our history as a nation, we have passed through many difficulties, just as the three kings and shepherds traversed a rocky road, during a dark and chilly night, to lay eyes on the blessed redeemer born in a manger. The damage inflicted on our country—by both natural forces and man—is what has made ours a difficult road towards prosperity. However, as a result of these trials, we Filipinos have acquired strength of character. And after each of our triumphs, we have been able to prove we are an honorable race.

It is true that the past years have been filled with violence; and because of the danger experienced by the country, it is necessary for us to be even more vigilant so as to husband our treasures and our strength so we may overcome all difficulties. In the face of the disasters that have hit our country, we should endeavor to continue all the government's programs and projects—especially those that aim to benefit the majority of our people.

Of course we should not minimize the problems facing us, but those problems will be as big or as small we make them, and we must tackle them with a firm determination, each according to our capabilities.

Our triumphs during the past four years will be the foundation on which we can build for the future. Government financial institutions are now in place so as to support the projects which will help those of our people who need to start their own businesses. These institutions include the Philippine National Bank [PNB], Development Bank of the Philippines [DBP], Land Bank of the Philippines, Government Service Insurance System [GSIS], and the Social Security System [SSS].

During the past regime, these government financial institutions worked mainly to help those in power. The looting of our financial resources went on on all sides, as only a few close Marcos cronies enriched themselves.

Since 1986, I changed the skewed priorities of these financial institutions. With the government financial institutions today carrying out their proper duties, their funds are now available to deserving citizens.

Among the things we can be proud of are the changes in the PNB. In 1986, this bank was bankrupt, with losses amounting to over P [Philippine pesos] 33.5 billion. However, today its accumulated assets total P8.5 billion. The DBP, for example, was able to recoup its losses of P5 billion in 1986. But today the DBP has grown by over P1 billion. The Land Bank has likewise flourished and has been servicing cooperatives, which did not exist in 1986, but which now number over 2,400. Also in 1986, the Land Bank was able to grant P72 million in loans to small farmers. To date, it has granted over P2 billion. In the same period, the Land Bank's net income has almost doubled—today it stands at P625 million.

I am also pleased to report to you the good performances of the SSS and GSIS. The assets of the SSS have more than doubled during the past four-and-a-half years—from over P26 billion in 1985 to over P57 billion today. Before our return to democracy, the GSIS' deficit was P4 billion. Today its surplus amounts to over P4 billion.

My countrymen: if we look around us, we can see exemplary Filipinos peacefully struggling to carve out a living, with the government's help. The Philippine National Bank has instituted the following projects: first, there is the nation's livelihood programs which disseminate information on how to set up one's own business. P1 billion will be given to small borrowers under the government's Kalakalan [small-scale business] 20 program. Under this scheme, small-scale businessmen can borrow up to P1 million.

Like the GSIS, DBP and SSS, the PNB has also extended loans to victims of natural disasters.

Projects such as the production of stuffed toys, cut flowers and tilapia [a species of fish] culture have been launched. The PNB has also started a Small Market Vendors' Loan Program. For each P10,000 loan, installment payments are as low as P50 daily. The DBP also helps in provinces like Tawi-Tawi, Samar, General Santos and Panay. In this connection, the DBP has a project to speed up livelihood and industrial programs which benefit various communities. These projects include the Small Enterprise Equity Development Program. The DBP also has a program in which jeepney drivers can buy their vehicles. The Boundary Hulog [installment] Program for jeepney drivers has funds worth P20 million. The first beneficiaries of this are 14 transport cooperatives. As of now, those benefitting from this project are drivers from the Castillejos Transport Service Coop in Olongapo, the Metro Valenzuela Transport Service Coop, the Kamias Transport Service Coop, and Crame Transport.

The Land Bank of the Philippines acknowledges the role played by cooperatives in raising farmers' production and profits. By means of a credit assistance program, farmers who are members of cooperatives can be assured of obtaining loans during each planting season to use for purchasing fertilizers and other items. The Land Bank has been granting loans for livestock and poultry loans, agricultural facility loans and livelihood projects. The Land Bank also gives training for setting up projects and cooperatives, as well as such civic organizations as the Rotary Club. The Land Bank has given out P12 million in support of farmers' cooperatives in San Ildefonso, Bulacan, and P12 million to over 100 cooperatives in Antique.

The credit line for cooperatives in General Natividad in Nueva Ecija is P20 million. What wonderful changes cooperatives produce with loans from the Land Bank. Farmers in San Ildefonso have been able to plant and harvest palay twice in a year, and their harvests have amounted to 80-100 cavans per hectare.

Meanwhile over P11 million has been given to 14 cooperatives, including the Baclaran Vendors and Development Cooperative, and the Saint Jude Community Credit Cooperative Incorporated in Lucena.

In areas hit by calamities, the GSIS has instituted a lending program capable of funding P1 billion in loans. Those helped are people in small- and medium-scale enterprises who need to keep their operations going. Through banks helped by the GSIS, small- and medium-sized businesses can borrow from P200,000 to P5 million.

The SSS has the Kasapi [Members] Lending Program which can lend between P1 billion to P1.25 billion. These funds are for manufacturing, poultry, hog raising, fishing, rice-milling, (trucking?), handicrafts, etc.

As I have said, the aim of our government is to create jobs to enable millions of our people to escape poverty. In our provinces, nine out of 10 persons make their living in farming and fishing. So as to help these people, the government has sent up the Livelihood Enhancement for Agricultural Development [LEAD]. This falls under the Department of Agriculture and the Agricultural and Fishery Councils. Since I inaugurated LEAD in May 1988, over P166 million has been provided to 115,000 farmers and fishermen. Furthermore, we have a special regional fund worth P17 million for livelihood projects for destitute farmers and fishermen. For example, we have granted P5 million to fishermen in four towns of Cebu after the ban on muro-ami [deepsea diving by young boys] fishing was banned. Close to P5 million was also granted to fishermen in Tanggil Bay in Mindanao who used to use fine-mesh nets.

In Regions 10, 11 and 12, millions of pesos' worth of (post?) harvest facilities have been set up to support the One Peso per Kilo Corn Program.

We must also mention other LEAD's projects: the production and sale of infant supplementary mix and peanut butter by people in Tuba, Benguet; a demonstration farm for citrus, pineapple and soybean production

in Baguio, Mountain Province; swine fattening in Santa Monica, San Nicholas, Ilocos Norte; rice dryer and thresher in Ilocos Norte, Cagayan and Isabela; duck raising by the Pinag-Isang Damdamin [One Purpose] Multi-Purpose Cooperative Incorporated in Candaba, Pampanga; broiler production in Mayondon, Los Banos, Laguna; in Southern Tagalog, there is the processing of indigenous farm products set up by housewives and teachers in Indang, Cavite.

The 4-H Club of Del Carmen, Talisay, Camarines has set up a watermelon production project; there is mussel-growing in Calabanga, Camarines Sur; the sale of rice, fertilizers and pesticides in San Miguel, Jordan, Guimaras; artificial reef-development project in Dawis, Bohol; farmers' projects in MacArthur and Villaba, Leyte; duck raising in Bayog, Zamboanga del Sur; patrolboats for Bantay- Dagat in Tambulig, Zamboanga del Sur and Clarin, Misamis Occidental; mini-ricemills in Surigao del Sur; rice dryers in Sultan Kudarat; native delicacies in Cotabato City, Maguindanao.

One million pesos has also been released for the clean-up of Lamon Bay in Quezon Province.

The LEAD Bank Assistance Component has also lent close to P107 million to thousands of farmers and fishermen. Among these are papaya growers in Misamis Oriental; seaweed farmers in Camiguin; turtle production, processing and marketing in Negros Occidental; integrated livestock in Toboso and pig industry development projects in Benguet.

The government also aims to double profits by farmers' families. At present, this comes to an average of P1,330 a month. The aim is to make this P2,000 a month.

Another beneficiary is the Department of Trade and Industry's Tulong sa Tao [Assistance for the Citizen]. This self-employment loan assistance program has no collateral and low interest rates. Under this program, loans range from P3,000 to P25,000. This year, over P45.5 million has been released to 9,100 entrepreneurs who have set up projects worth P27,300.

The Department of Social Welfare and Development has its projects to help our destitute citizens. Under the program, loans can be given to a person, a family or a group—P3,000 for an individual, P5,000 for a family's small livelihood project, and P20,000 for a group project.

Target beneficiaries are destitute heads of family, out-of-school youth, elderly women, disabled persons, and victims of calamities. These are the people our government plans to support, to help people help themselves, so as to create livelihoods through their own efforts in order to generate self esteem.

The government will also extend support to other destitute people, to give them a means of support that will help them survive. I have ordered the relevant government agencies to speed up their programs creating livelihood projects.

In closing, as Christmas approaches, as families get together, and as we look back on the year that has passed and as we look forward to the new year, we should make this year-end get-together one that will be good for the entire country.

A peaceful Christmas to you all.

Christmas Cease-fire, War Prospects Viewed

HK2412082990 Manila PHILIPPINE DAILY INQUIRER in English 24 Dec 90 p 4

[Editorial: "Let this be the last Christmas truce"]

[Text] Last Monday, President Aquino led dignitaries at the blessing of the "Bells of Peace" memorial, actually 18 bells cast from the guns and cannons used during World War II. During the ceremonies, the President delivered a dignified plea for the silencing of guns and the settlement of hostilities.

"Everytime we hear these carillon bells ring," she said, "let us remind ourselves of our noble duty to pray for peace and then to work tirelessly to preserve it. We should be reminded that peace is ever at hand for those who truly work for it."

Ms. Aquino no doubt was inspired to sound the call for peace not only by the soothing peals of the bells but also because the previous day, the communist hierarchy in the Philippines had announced that guerillas would observe a five-day ceasefire to allow for a peaceful celebration of Christmas and New Year in the country. The National Democratic Front [NDF] said in a statement that communist insurgents nationwide had been ordered to observe a 48-hour halt in attacks on government targets from 1 a.m. today to 1 a.m. on Dec. 26. This will be followed by a 72-hour ceasefire to begin on Dec. 30 at 1 a.m. to last up to 1 a.m. on Jan. 2, 1991.

Earlier this month, the President and the Cabinet agreed to order government troops to stop hostilities during the holidays. In fact, like the communists', the government ceasefire is already in progress, having started at 1 p.m. yesterday. Aside from the earlier start, the military truce covers the same period as that of the NDF's. Defense Secretary Fidel V. Ramos has promised that government troops would not launch an offensive against communist rebels during this period, since a Christmas truce has become something of a tradition.

The NDF statement also offered a swap of prisoners but did not say how many soldiers the communists were holding. According to the New People's Army force in Southern Tagalog, the Banahaw Command, however, a Constabulary soldier it has been holding in captivity for eight months now will be set free today as a sign of its sincerity.

Sadly, one other group of insurgents, the military rebels, has yet to be heard from. At this late hour, it is doubtful if they would publicly declare their own Christmas truce. One can only hope that in their own way, they would observe one.

Basically, the Christmas truces—they have been observed since 1987—have worked. Limited they may be in duration and scope, the ceasefire periods on the whole were faithfully observed. Some hatreds certainly must have been subdued and some passions banked; several lives undoubtedly were saved.

But are ceasefires all that war-weary citizens can expect? If their conflict can be intensified, aren't insurgents and the military capable of intensifying the process for peace?

The truce periods offer them the opportunity for reflection and retrospection. It would be interesting to find out if in every year that followed the Christmas ceasefires, there had been a gradual decline in the ferocity of the communist-military conflict, a softening of the animosity and bombast from both sides, or a reduction in the bodycount and the other grim statistics of war.

Else, why would the communists offer a truce year after year and why would the government and the military continue to respond? Shouldn't this be the last Christmas truce? Is it too much to expect peace in 1991?

Surely, the futility of prolonging the insurgency war and the senselessness of Filipinos continuing to kill Filipinos, must already have seeped into the hearts and minds of those on both sides who order the guns to keep firing. By this time, they must clearly see their way into talking a serious peace.

In the "Bells of Peace" ceremonies, Jaime Cardinal Sin said the melting of the guns and cannons into bells of peace was just one solitary step—"we must continue the mission by melting the selfish interest in our hearts and the kanya-kanya [self-centered] attitude the ourselves to become the little bells of peace in our hearts."

The Archbishop of Manila may have a corny way of putting it but his words should be food for thought over the Christmas ceasefire.

Thailand

Minister To Visit Workers in Saudi Arabia

BK2112123090 Bangkok Voice of Free Asia in Thai 1030 GMT 21 Dec 90

[Text] Foreign Minister Athit Urairat briefed reporters about the plan to assist Thai workers in the Middle East, as the Foreign Ministry is one of the agencies involved in preparing the plan for use in case of emergency. He said that a meeting to discuss the plan for Thai workers in the Middle East will be held at Government House on 24 December. The Foreign Ministry has completed part of the plan that concerns the ministry. He also said that he planned to visit Saudi Arabia to boost the morale of the workers at the end of this month.

Regarding the news report that the Taiwanese Authority will begin to crack down on illegal Thai workers in Taiwan and the report that the Interior Ministry is ready to deal with the Taiwanese workers in Thailand, the foreign minister said that he needs consultations on how to handle this issue first. However, in his personal opinion, he wants Thai workers to work in Thailand to help develop the country. Since Thailand is facing a labor shortage problem, it is better for the workers to work in the country.

However, the Foreign Ministry is concerned about Thai workers in the Middle East, especially the large number of Thai workers in Saudi Arabia.

Official Remarks on Shevardnadze's Resignation

BK2212020990 Bangkok THE NATION in English 22 Dec 90 p A2

[Text] A Senior Thai official said the sudden resignation of Eduard A. Shevardnadze as Soviet Foreign Minister was unexpected and regrettable.

Sarot Chawanawirat, director general of the Foreign Ministry's Political Department, said Shevardnadze was billed as one of the architects of perestroyka and glasnost which succeeded in bringing about a "positive environment" in global politics.

He said the ministry so far had not received clear information on the resignation which was not yet final.

However, he believed the resignation would not affect Soviet foreign policy since President Mikhail Gorbachev was still in power.

The resignation of Shevardnadze raised the question of whether it was going to affect the reformist trend in the Soviet Union.

U.S. Ambassador to Thailand Daniel O'Donohue told Foreign Minister Athit Urairat when he paid a courtesy call on Athit yesterday that the U.S. regretted Shevardnadze bowing out but believed the Soviet Union's current foreign policy would still continue.

Army Chief on New Government, Khmer Bandits

BK2112144590 Bangkok Army Television Channel 5 in Thai 1230 GMT 21 Dec 90

[Text] Army Commander General Suchinda Khraprayun agreed with the prime minister's instruction for all cabinet ministers to carry out their duties honestly. He also stressed that the military has a duty to ensure the stability of the government. In addition, the Army commander also said that the prime minister already had tried his best in forming the new government.

[Begin recording] [Suchinda] The cabinet ministers have sworn before his majesty the king that they will perform their duties with honesty. If they don't keep their word, they will not last.

[Unidentified correspondent] Will the new cabinet ministers follow the prime minister's instruction?

[Suchinda] They have to be honest. Nobody will say that they will not be honest after they have been appointed ministers. They all are determined to work with honesty.

[Correspondent] Will the military continue to stand by the prime minister's side?

[Suchinda] You make it sound like the military is going to keep the prime minister under its control. The military merely serves as a tool of the prime minister and helps him and the government to perform duties well. This is the duty of the military. [end recording]

Regarding the problem of armed Khmer bandits preying on Thai villagers inside Thai territory, the Army commander said that he had instructed local units to deal drastically with the bandits. Drastic action could be used if necessary in order to ensure safety for the villagers.

In addition, the Army commander also talked about the encroachment of military-owned land. He said that this problem has existed for a long time. The military has tried to solve this problem through negotiations and tried to arrange new pieces of land for the villagers.

On the occasion, the Army commander also extended his new year greetings to all military personnel, asking them to persevere and to sacrifice for national security.

Foreign Minister Details Policy on Burma

BK2112153690 Bangkok Voice of Free Asia in Thai 1030 GMT 21 Dec 90

[Text] Thailand is willing to help Burma solve its problems. However, Thailand will not interfere in Burma's internal affairs. This was revealed by Foreign Minister Athit Urairat during a press briefing. He said:

[Begin recording] Burma is our neighboring country. We must give Burma a lot of sympathy. Burma should have advanced in all areas. It also has suffered from World War II. Unfortunately, Burma has failed to solve its internal problems.

So, our policy, as mentioned before, is that they will have to solve their own internal problems. We are willing and ready to help them solve their problems. To tell them to do this and that or to get frustrated if they do not follow us will constitute an interference. However, we respect the principles of human rights. We will not agree with any action that does not promote democracy or the basic rights of human beings. But, there should be a limit for us to express our disagreement. We must be cautious not to let our disagreement become involved in determining their country's future. However, if we are affected by their actions, no matter in which fields, we will have to find ways to solve them. For example, if there is an influx of refugees, we will try to negotiate with them as a friendly country to settle the problem. The problems can be handled through various methods. It will not be right in the international community if we adhere to only one particular method. So, our policy toward a friendly country like Burma must be based on mutual understanding. [end recording]

Vietnam

Defense Chief Seeks Greater Political Role

BK2312150690 Hong Kong AFP in English 0940 GMT 23 Dec 90

[Text] Hanoi, Dec 23 (AFP)—Defence Minister Le Duc Anh said Vietnam's army cannot remain divorced from politics and must make greater efforts to promote national renewal, the armed forces newspaper reported Sunday.

Mr. Anh, interviewed by the QUAN DOI NHAN DAN, said that "in the future we must make greater efforts to correct errors and negative acts and to surmount difficulties in a bid to better realise the policy of renovation of the country." The minister said he believed the army could not remain isolated from the country's political problems at a time when Vietnamese socialism was under attack.

He also said the army and local authorities along the Sino-Vietnamese border were "striving with patience to reestablish normal ties between the people and armed forces of the two countries." China and Vietnam fought a brief border war in 1979 after Hanoi forces invaded Cambodia to oust the Beijing-backed Khmer Rouge regime.

He said negative aspects remained but "the times of peaceful co-existence and friendship are beginning to return. "Exchanges of goods have replaced cannon fire," he said. "Acts of friendship have replaced words of hate."

Meanwhile, Mr. Anh said, Vietnamese troops in the Spratlys would continue to defend the South China Sea archipelago, which is also claimed by China and over which the navies of the communist neighbours clashed in 1988.

The minister said ideological work had been stepped up in a bid to raise the "combativeness of the army" and added that "we have strengthened our defensive potential, contributed to the construction of the country and fulfilled our international obligations." In line with that, Mr. Anh said the army had been reduced by 600,000 men, including 100,000 officers, while the military budget had been cut considerably.

He did not give a time frame for the troop cutbacks or a figure for the budget, but said funding was not enough

"to meet minimum needs" and economies must be made and waste and fraud eradicated. The size of Vietnam's armed forces was estimated at about 1.3 million men in 1989 but they were trimmed back following Vietnam's withdrawal from Cambodia in September last year and amid a thaw in relations with China.

Spokesman Comments on Spratlys, Cambodia Issue

BK2112125590 Hanoi International Service in English 1000 GMT 21 Dec 90

[Text] A regular press conference was called by the Vietnamese Foreign Ministry in Hanoi on Thursday on international issues and other questions concerning Vietnam.

Answering a question from a correspondent of the Japanese newspaper AKAHATA, Ho The Lan, a spokeswoman of the Vietnamese Foreign Ministry, said: The process of solving the Cambodian issue has been and is being accelerated. This was shown by the fact that members of the Supreme National Council of Cambodia and the two co-chairmen of the Paris International Conference on Cambodia will meet in the French capital in the coming days.

The spokeswoman, however, drew attention to the concern over the draft agreement on Cambodia proposed by the five member countries of the UN Security Council, which reflected a retrogression. She noted that this draft agreement does not abide by the principle of letting the Cambodian people solve their internal affairs. It also fails to consider the question of eliminating once and for all the genocidal regime—one of the two key issues of the Cambodian problem.

Regarding a recent Chinese statement on Spratly and Paracel archiplegoes, Mrs. Ho The Lan affirmed Vietnamese sovereignty over these groups of islands. She said: Vietnam is ready for peaceful negotiations with countries concerned to settle the dispute. She also noted that there had been no immediate plan for visit to Vietnam by Chinese officials.

Answering a question raised by a correspondent of AGENCE FRANCE PRESS on how Vietnam assessed the Laos trip by Chinese Premier Li Peng, the Vietnamese spokeswoman described the trip as another step in Sino-Lao relations. She expressed Vietnam's wish for Chinese cooperation with all regional countries, which she said, would bring about regional stability and create favorable conditions for all Southeast Asian nations to develop their economies.

Commenting on the Gulf situation, Mrs. Ho The Lan said: Vietnam wishes that the Gulf crisis will be solved by peaceful means within the Arab framework, that all sides do their utmost for the peaceful solution and avert the danger of war in response to the world people's aspirations. She noted that the Gulf crisis had something to do with Vietnamese workers in Iraq. Vietnam, she said, is arranging with the Iraqi Government the repatriation of the remaining Vietnamese workers as well as their protection as long as they stay in that country.

Also at the press conference, the spokeswoman announced that the four-member delegation of Bangkok Bank led by its president, Mr. Chatri, will come to Vietnam late this month to (?probe) Vietnam's economic policy and consider possibilities for cooperation and prepare the bank's operations in Vietnam.

It was learned that the Australian Airline Qantas will conduct the first charter direct flight from Sidney to Ho Chi Minh city on Saturday. Three other flights will be expected in the first quarter of 1991. The new air route, she said, will facilitate traffic between the two countries and bilateral cooperation in many fields.

Financial Policy Reviewed in Assembly Session

BK2012154790 Hanoi Domestic Service in Vietnamese 2300 GMT 19 Dec 90

[Report by Correspondent Kim Cuc]

[Summary] The National Assembly met at the conference hall on the afternoon of 19 December to hear cabinet members answer questions raised by the deputies at its ongoing eighth session.

"Foreign Minister Nguyen Co Thach began the meeting with his reply to questions regarding our party and state's foreign relations. He pointed out the stance of our party and state over a number of issues such as the Cambodian issue, the question of relations between Vietnam and China, between Vietnam and the Soviet Union and East European countries, and between Vietnam and the United States, the question of protecting the interests of Vietnamese workers abroad, and the question of diplomatic information. Answering a question raised by a National Assembly deputy over the shortcomings committed by a number of Vietnamese diplomatic cadres in certain countries, the comrade minister said that disciplinary actions—such as sacking or recalling—had been taken against these cadres."

Comrade Cao Sy Khiem, state bank governor, answered some questions raised by the deputies over the activities of the state bank. The comrade spoke, among other things, of the reasons for the collapse of many credit companies. He attributed this to the absence of control over credit companies, the indiscriminate granting of business licenses, misappropriation of deposits, and failure to service debts on the part of the people. He also proposed measures for solving the current problems involving credit companies.

Comrade Phan Van Khai, head of the State Planning Commission, presented before the National Assembly the two issues of foodgrain and fertilizer. As for foodgrain, he said: "The National Assembly's 1991 grain output target is 21.5 million metric tons. As the 10th-month crop output in the north was lower than initially

expected, we may end up attaining a 1991 grain output of 21.3 million metric tons—roughly as many as that as in 1989."

Regarding the regulation of foodgrain nationwide and the question of rice price soaring high in Hanoi and other northern provinces over the past few months, Comrade Phan Van Khai said: "Although we have shipped a certain amount of rice from the south to the north, the rice situation in the north now remains tense. In Hanoi, rice price increased as high as 2,200 dong per kilo while in Quang Ninh and Lai Chau, the rice price soared to 2,800 dong per kilo."

When asked about the reasons for this, the comrade head of the State Planning Commission said: "This year's grain output is about the same as that of last year, that is, a shortfall of approximately 700,000 metric tons. Whereas, the population has increased by 1.4 million. Thus, the per-capita grain output in 1990 is 270 kg." In addition, "the 10th-month and winter-spring crop output in the north was below requirements."

In replying to a question raised by a deputy on solving the grain problem in 1991, Comrade Phan Van Khai brought forth a series of measures which consist of providing close guidance for grain exports, stabilizing domestic rice price, shipping some 50,000 metric tons of rice per month from the south to the north, putting rice in stock for sales, and ensuring enough money to buy food grain.

"In yesterday afternoon's meeting, Comrade Hoang Quy, minister of finance, also answered 20 questions raised by 14 deputies over the rate of financial allocation to local budgets, the settlement of defense budget, the supply of iodine salt to mountain regions, budget allocation for mountain regions, the special privileges accorded to treasury cadres, the servicing of debts owed to the people during the two wars of resistance against the French and the Americans, and measures taken against Deputy Finance Minister Chu Tam Thuc and his entourage for having accepted gifts offered by Long An province."

He said that the gifts in cash had been recovered and returned to Long An province and that the Ministry of Finance had asked the Council of Ministers to consider disciplining Comrade Chu Tam Thuc. It had also proposed disciplinary actions against officials of Long An province for having used public money as gifts.

Press Briefing Concludes Assembly Session

BK2212031290 Hanoi Domestic Service in Vietnamese 2300 GMT 21 Dec 90

[Text] On the afternoon 21 December at the Ba Dinh conference hall in Hanoi, the Office of the National Assembly and Council of State held an international news conference on the occasion of the conclusion of the Eighth National Assembly's Eighth Session. Attending the news conference were representatives from various embassies and international organizations and correspondents of foreign news agencies and papers who are currently working in Vietnam.

Vu Mao, director of the Office of the National Assembly and Council of State, gave a briefing on the results of the National Assembly session. He said:

During its sitting from 5 to 21 December, the National Assembly devoted much time to various major issues, such as evaluating the results of the implementation of various socioeconomic tasks and the state budget for 1990 and determining orientations, targets, and measures for implementing socioeconomic plans and state budgetary estimates for 1991.

After briefing journalists on a number of resolutions and laws that had been voted on and adopted at the session, Comrade Vu Mao presented the general views of many National Assembly deputies appraising the session, which touched on various essential matters related to Vietnam's socioeconomic situation.

He disclosed that all the reports presented at this session had been carefully prepared, that all questions raised by National Assembly deputies had been answered by the members of the Council of Ministers concerned, and that the session had been held amid many interesting dialogues and debates.

Comrade Vu Mao also answered many questions raised by journalists.

Closing of Assembly Reported

BK2112161890 Hanoi VNA in English 1508 GMT 21 Dec 90

[Text] Hanoi VNA Dec. 21—The eighth session of the National Assembly was closed here today after 17 days' sitting.

At this session, the National Assembly evaluated the achievement in socio-economic development as well as the state budget in 1990, and worked out the orientation, targets and measures to carry out the socio-economic plan and approved the projected state budget for 1991. It also dealt with the fight against corruption and smuggling, and reviewed for state's foreign policies in 1990 and the orientation for diplomatic activities in 1991. The National Assembly discussed the draft socio-economic strategy up to the year 2000 and the 1991-1995 socio-economic plan and adopted a number of draft laws.

This morning, Chairman of the Council of Ministers Do Muoi presented to the National Assembly a number of key questions on the current socio-economic situation and the socio-economic tasks for 1991.

Chairman Do Muoi highlighted the achievements in 1990, which, he affirmed, "are significant changes, for they have created favourable conditions for stabilizing

the social, economic and political situation as well as the premise for the development in the coming time."

The gross national product increases by 4.3 percent, the national income by 4.5 percent, the agricultural production by 3.1 percent over 1990, the food output will be 22 million [metric] tons, the industrial production increases by 4.7 percent, the export value by 16 percent over 1990. 22 percent of national income will be mobilized for the state budget, the capital construction investment is 2,500 billion dong (including 1,450 billion from the state budget), and the population growth rate drops by 0.6 percent compared with 1990.

The National Assembly also adopted the law on private business transaction, joint stock company bill, amendments and supplements to the military service law, as well as to the law on officers of the Vietnam People's Army.

More on National Assembly Closing

BK2212152390 Hanoi Domestic Service in Vietnamese 1630 GMT 21 Dec 90

[Report on 21 December closing of the Eighth National Assembly's Eighth Session; Le Quang Dao speech is recorded]

[Summary] After 15 days [as heard] of sitting, the Eighth National Assembly's Eighth Session closed this afternoon on 21 December.

"The National Assembly discussed and passed various resolutions such as the resolution on the 1991 socioeconomic development tasks, the resolution on the 1991 state budget estimate, and the resolution that ratifies the final balance of the 1989 state budget. It also discussed and passed various laws such the law on private business transactions, the law on share holding companies, the law on amendments and supplements to certain articles of the law on military service, and the law on amendments and supplements to a number of articles of the law on Vietnamese People's Army officers."

"The National Assembly also passed a resolution on the enforcement of the law on amendments and supplements to a number of articles of the law on military service, and the law on amendments and supplements to a number of articles of the law on Vietnamese People's Army officers. This resolution goes into effect from the date of its promulgation."

"The National Assembly also passed the statute on the organization and activities of the Nationalities Council and the statute on the organization and activities of the National Assembly's Standing Committee, and revised some articles of the statute on National Assembly deputies and the by-law on National Assembly meetings."

After passing these resolutions and laws, at 1730 local time, National Assembly Chairman Le Quang Dao delivered the following closing speech at the Eighth National Assembly's Eighth Session:

[Begin Le Quang Dao recording] Dear Comrade Vo Chi Cong, member of the party Central Committee Political Bureau and chairman of the Council of State; Comrade Do Muoi, member of the party Central Committee Political Bureau and chairman of the Council of Ministers; National Assembly deputies; comrades and friends:

"After the deputies have discussed the Council of Ministers' reports on the socioeconomic situation and on the state budget in 1990, examined various plans and the state budget for 1991, and contributed their views to the draft strategy for socioeconomic stabilization and development up to the year 2000 and the orientations and tasks for the five-year 1991-95 socioeconomic development, the National Assembly passed various important resolutions such as the resolution on the orientations for the 1991 socioeconomic tasks, the resolution on the 1991 state budget estimate, and the resolution that ratifies the final balance of 1989 state budget.

"The National Assembly unanimously noted that in 1990, the socioeconomic situation continued to undergo some positive changes. What has been achieved testifies to the correctness of the course of action and steps taken by our party and state in the renovation undertaking." Yet, "the national situation is still beset with numerous difficulties. A number of targets set for 1990 by the National Assembly as outlined in its resolutions have not been fulfilled. Guidance for work implementation by various sectors and echelons in general was still fraught with shortcomings. The National Assembly scrupulously reviewed and analyzed the reasons. It came with various policies and measures and selected plans suited to the realities in order to achieve the 1991 socioeconomic targets and the state budget at all costs."

As 1991 is the start of the 1991-95 five-year plan and also the year the Seventh Party Congress will be held, let our entire people uphold what has been achieved, strive to overcome all difficulties and ordeals, broaden our foreign economic relations, and create a positive trend for our country in the ensuing years.

At this session, "the National Assembly passed the law on private business transactions and the law on share holding companies, thus meeting the aspirations of the people of various strata and promoting wealthy people to invest their capital in increased production and business."

Also at this session, the National Assembly discussed and concurred with the Council of Ministers's report on our government's diplomatic activities in 1990 and its courses of action in 1991. "In 1991, our state will continue to implement its important diplomatic task, take advantage of the current favorable international conditions to intensify the renovation undertaking, and successfully implement the state plan in order to build and defend the fatherland and duly contribute to the world people's struggle for peace, national independence, democracy, and social progress."

Dear National Assembly deputies: Upon returning to your localities, you are requested to immediately brief relevant local mass organizations about the outcome of this session as you join local leaders in motivating the people to implement various National Assembly resolutions. National Assembly deputies should help create an all-people movement to promote self-reliance, step up the production of food and commodities, and practice thrift in production and life. "We should continue to increase the struggle against corruption and smuggling and other negative phenomena in society, purify the state apparatus, promote the use of home-made goods, and refrain from using luxury goods."

As 1991 is drawing near, on behalf of the National Assembly, I would like to wish compatriots at home and abroad good health and happiness in the New Year.

"I hereby declare the Eighth National Assembly's Eighth Session closed." [end recording]

Resolutions Adopted by Assembly

BK2112125290 Hanoi International Service in English 1000 GMT 21 Dec 90

[Text] The freshly-concluded eighth session of the Vietnamese National Assembly has adopted a number of resolutions, including one on socioeconomic orientations and tasks for 1991 and a law on private business transactions, law on shareholding companies, supplements and amendments to the law on military service and army officers.

Speaking at the closing session on Friday, Chairman of the National Assembly Le Quang Dao spoke of positive changes in socioeconomic situation in Vietnam in 1991 which he said proved the correctness of the process of renovation in Vietnam, he called on public officers, branches of activity, and people of all strata to implement the resolutions of the National Assembly as well as of the party and the state to boost production and stabilize life as greetings to the Seventh Congress of the Communist Party of Vietnam.

Assembly Resolution on 1991 Socioeconomic Tasks

BK2412071190 Hanoi Domestic Service in Vietnamese 1430 GMT 23 Dec 90

["Text" of resolution adopted by the Eighth National Assembly's Eighth Session on socioeconomic tasks for 1991]

[Text] By virtue of Article 83 of the Constitution of the Socialist Republic of Vietnam [SRV]; based on the Council of Ministers' report on the implementation of the 1990 plan and the 1991 socioeconomic development plan, the views given by the Economic, Planning, and Budget Committee and other organs of the National Assembly as well as the opinions of the National Assembly deputies; and after having supplemented and amended a number of points, the National Assembly of the SRV hereby decides to adopt the Council of Ministers' report on the implementation of the 1990 plan and the orientations and tasks for socioeconomic development in 1991.

The National Assembly attaches importance to the following key issues:

A. The 1990 Socioeconomic Situation

The 1990 socioeconomic situation was more difficult and more complicated than before but positive changes have continued to be recorded on the socioeconomic front. Grain production has been firmly maintained. Many state-operated industrial installations have begun to adapt themselves to the new mechanism. The volume of some key industrial products has increased. As far as capital construction is concerned, concentrated efforts have been made to complete many key projects and to guarantee the pace of completion so that projects can be put into operation as scheduled. The volume of export products has increased considerably. National defense and security tasks have been guaranteed.

The above-mentioned achievements are proof of the correctness of the orientations and measures that our party and state have adopted to implement the renovation undertaking. They also testify to the magnitude of our people's efforts.

Nonetheless, our country's economic situation still has a serious imbalance. Both gross social product and national income still remain slow. A large number of state-operated and collective economic installations still experience many difficulties. Some of them even face the danger of bankruptcy. The state budget still displays a major overdraft. The management of money and credit services is still rife with many shortcomings. Market prices have not been stabilized yet. The unemployment rate is still on the rise. Cadres, government employees, members of the Armed Forces, retirees, social welfare program recipients, people in areas hit by natural disasters and crop failures, and ethnic minority compatriots still experience many difficulties in their daily life. Progress has been slow in the educational, public health-care, cultural, and social fronts. The social security and order situation is still developing in a complex way.

These weaknesses can be traced back to the impact of the international situation as well as to the inherent drawbacks of the economy. Anyway, these shortcomings must be traced back first of all to the failure of leadership and management to keep pace with requirements and to anticipate complicated developments, slack discipline and order, slow efforts to overcome manifestations of negativism, and loose inspection and control.

B. Tasks and Objectives To Be Fulfilled in 1991

The 1991 plan will be implemented against a very complicated international background and at a time when we have to meet the country's great socioeconomic development needs. Therefore, we must uphold the

spirit of self-sufficiency and self-reliance and take advantage of all favorable international conditions to consolidate and develop our achievements in the 1989-90 two-year period, overcome new socioeconomic difficulties and challenges, firmly maintain political stability, secure national defense and security, and create conditions for further development in subsequent years.

I. The following key plan norms must be fulfilled in 1991:

Increase the gross social product by 4.3 percent compared to 1990, national income by 4.5 percent, agriculture by 3.1 percent, grain production by 22 million tonnes in paddy equivalent, industry by 4.7 percent, and export volume by 18 percent.

Mobilize 22 percent of the national income to meet state budget requirements.

Provide the state budget with 1,450 billion dong to meet the demand of capital construction.

Reduce the population growth rate by 0.06 percent compared with 1990.

Our country's socioeconomic situation will be very difficult in 1991. Particularly, the growth rate does not correspond with the population growth rate. Therefore, efforts are needed to fulfill and overfulfill the above-mentioned plan norms.

II. Key policies and measures:

1. Bring into full play the capabilities of all economic sectors, exploit all existing potential to expand production, take positive steps to resolve the problems concerning capital and market, acquire new equipment and technology, and reorganize state-operated economic installations. Regarding those installations which have experience protracted losses, transfer of ownership or dissolution are needed. Continued efforts are needed to improve the management system and policies toward agriculture. It is necessary to create conditions for the small industrial and handicraft sectors to resolve difficulties in terms of capital and market. Steps must be taken to satisfactorily implement the laws on private trade and corporations. In this way, conditions for encouraging the people to make investment and bring into play their capabilities and technical knowhow to develop production and business operations will exist.

2. We must quickly increase the value of exports to ensure that demands for the import of important materials and new equipment and technology for the 1991 plan are met. We must reorganize and improve the import-export and foreign exchange managerial mechanisms to protect the legitimate interests of production and trading units and foreign currency owners while placing all sources of foreign exchange under unified management to meet the needs of the economy. We must abolish unnecessary intermediary links in the import-export business; broaden economic relations with foreign countries to attract capital and technology for domestic economic development; and correctly settle the relations between export and domestic consumption, especially regarding grain. We must expand domestic markets, especially rural markets to ensure the marketing of peasants' commodity agricultural products, protect local production, and encourage the consumption of locally-made goods.

3. We must continue to restrain inflation; strengthen financial and currency management; correctly, fully, and promptly collect taxes according to established policies; strictly manage all sources of state budget revenue to prevent losses; and provide for essential and reasonable expenditures while practicing utmost economization and struggling against extravagance, wastefulness, ostentatiousness, and formalism. We must continue to renovate the credit mechanism to ensure provision of capital for production and trading units and correctly resolve the interest rate problem to mobilize all sources of idle money belonging to the people. We must strictly deal with long overdue debts, credit funds defaults, misappropriation of budget capital, and usurpation of each other's capital among economic units. We must reorganize goods circulation, market and price management, especially regarding grain and other essential items in the people's daily life.

4. We must strive to ensure stability of the people's living conditions. The Council of Ministers must study a plan for wage system reform for submission to the National Assembly's Ninth Session. In the immediate future, it must implement at once various measures to reduce difficulties for state cadres, workers, civil servants, the armed forces, pensioners, beneficiaries of social welfare policies, and people in areas struck by natural calamities. On the basis of stepping up production, we must create more jobs for workers and increase their incomes.

5. We must expand the implementation of various party and state resolutions on socioeconomic and cultural development in mountainous regions and areas inhabited by ethnic minorities. We must make selective investments to bring into full play the mountainous regions' economic strengths, to develop agricultural and forestry production, to grow trees on fallow land and barren hills, to protect forests, to build hydroelectric power stations, to open more roads, to ensure the supplies of five kinds of essential commodities for the people, to step up effort to eradicate malaria and goiter, and so forth. We must strive to eventually reduce the rate of illiteracy, especially among grassroots cadres, youth, and teenagers.

6. We must rearrange and improve management in the educational, public health, and cultural systems and in scientific and technological research. We must expand the application of various forms of state-people joint efforts in such fields as medical insurance; private schools; and welfare funds for war invalids, families of fallen soldiers, and people who have rendered meritorious services to the revolution.

7. We must revamp the organization of the state apparatus and increase its managerial capability; resolutely reduce the staff of administrative and nonproductive organs and mass organization, at least by 20 percent in 1991. In 1991, the Council of Ministers must submit to the National Assembly a plan for renovating the system of state managerial organizations and redefine the administrative boundaries of some localities. It must strengthen inspection and control in all fields and sectors at all levels to make the state managerial apparatus healthy and enhance its efficiency.

8. We must resolutely struggle against corruption and smuggling, severely deal with all cases of corruption, smuggling, and bribery already discovered as a result of inspection and control work. The heads of sectors at all levels are responsible for guiding the struggle against corruption and smuggling in their own sectors, localities, and units. We must combine state inspection and control with the mass movement in this struggle.

The year 1991 is the first of the 1991-1995 five-year plan and the strategy of socioeconomic development up to the year 2000. It is also a year when our country's socioeconomic work has to face new difficulties, complexities, and challenges. The efforts to be made to successfully implement the 1991 state plan will thus take on a particularly important significance. The National Assembly hereby entrust the Council of Ministers with the task of organizing the implementation of this resolution. The Economic, Budget, and Planning Committee, the Nationalities Council, and other committees of the National Assembly are duty-bound to assist the National Assembly in closely supervising all levels and sectors to ensure scrupulous implementation of the tasks and targets of the state plan that have already been adopted by the National Assembly. National Assembly deputies and People's Council members at all levels are also obliged to implement the National Assembly resolution in an exemplary manner. At the same time, they have the duty to motivate all organs, all economic organizations, and people of all strata to discharge their obligations and responsibilities toward the country and to exert the people's right to supervise the activities of various state organs.

The National Assembly appeals to the people and combatants throughout the country to bring into full play their tradition of self-reliance, their initiative, and their creative powers to overcome difficulties, to make good use of all latent potential and advantages, to strive for successful implementation of the set targets and tasks, to firmly maintain and stabilize the situation in all respects, and to create conditions for further development in subsequent years.

This resolution was adopted by the Eight Session of the Eighth National Assembly of the Socialist Republic of Vietnam on 21 December 1990.

[signed] Le Quang Dao, chairman of the National Assembly.